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A Peer Reviewed (Refereed) International Journal**Article Information**Received: 26th June, 2025Accepted: 30th July, 2025Published: 28th Aug, 2025**BOARD ATTRIBUTES AND ACCOUNTING CONSERVATISM**

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ABSTRACT

The study examined board attributes and accounting conservatism with evidence from listed industrial goods firms in Nigeria. The objective of the study was to investigate whether board gender diversity, board independence and board diligence have significant effect on accounting conservatism of listed industrial goods firms in Nigeria. The secondary source of data collection was adopted in the study where the purposive sampling technique was used to select a sample size of eight (8) industrial goods firms in Nigeria for the study. Least Square regression analysis was used in this study and the findings revealed that board gender diversity, board independence and board diligence have no significant effect on accounting conservatism of listed industrial goods firms in Nigeria. The study concluded that conservatism had been a salient characteristic of accounting information and recent research into this area has documented a significant increase in conservatism in the last few decades. Finally, it was recommended that in order to promote accounting conservatism, deliberate efforts should be made to maintain the independence of the board by increasing the number of non-executive directors on the board.

Keywords: Board Attributes, Accounting Conservatism, Board Gender Diversity, Board Independence, Board Diligence.

INTRODUCTION

Accounting conservatism is contentious is controversial both in scholarly writing and policy-making. The traditional definition of conservatism is "anticipating no profit but anticipating all losses." According to Christian, Chiedu, Anichebe, and Emeka-Nwokeji (2022), conservatism is the asymmetric timeliness of earnings reporting, requiring more verification to identify gains in positive news than losses in negative news. Conservative accounting results in reported earnings that are understated as opposed to overstated, according to both definitions. Accounting conservatism is viewed as an undesirable feature of accounting information by the Financial Accounting Standards Board (FASB) and the International Accounting Standards Board (IASB). Both highlight the need for accounting data to be neutral in order to prevent bias in a company's financial statements (Mora & Walker, 2015).

A prominent feature of accounting information has been conservatism, which has significantly increased over the past few decades, according to recent research in this field (Ain, Agus, Kiswanto & Indra 2020). However, the application of accounting conservatism has come under fire on a number of occasions. For example, El-habashy (2019) contended that conservatism distorted accounting data and was a very poor way to solve uncertainty in income and valuation. Their belief was that conservatism could also lead to a lack of comparability since its application could not be standardised. Furthermore, conservatism produced hidden reserves and lower quality earnings, according to Eno, Hycienth, and Essien (2023). In a similar vein, Boussaid, Hamza, and Sougne (2015) contended that conservatism caused an accurate accounting data to be misunderstood due to the understatement of income or assets.

A growing number of accounting scandals that precipitated the abrupt demise of well-known corporations like Enron and WorldCom in the United States; HIH, One-Tel, and Harris Scarfe in Australia; and certain companies in Nigeria like AIB Plc and AP Oil have directed attention towards the enhancement of corporate governance and accounting quality by regulators, investors, scholars, and the general public. Subjective evidence points to earnings manipulation and lax corporate governance as the primary causes of these collapses. For instance, the corporate governance report noted that a common characteristic of recent Australian failed companies is that all had poor corporate governance, and that the audit committee's lack of independence contributed significantly to Enron's collapse (Agus, Kiswanto & Indra, 2020).

Ineffective corporate governance was the reason behind the demise of Enron, World Com, and Tyco International. For many centuries, the accounting profession has been characterized by the idea of conservatism in accounting procedures. Accounting for conservatism has been used by businesses for centuries and is a crucial component of profits. Previous studies have also used it to measure the quality of earnings. At first, most people thought that conservative accounting was biased towards low book values (Hawley, Kamath & Williams, 2021). Numerous empirical studies have examined the relationship between accounting conservatism and board structure variables (Ain, Agus, Kiswanto & Indra, 2020; Surachai, Jintana, Sukanya & Laddawan, 2020; Nasr & Ntim, 2018). One drawback of the studies that have looked at the relationship between board attributes and accounting conservatism is that the majority of them use only one measure of the concept; in contrast, this study takes a multi-perspective approach in an effort to strengthen its findings and offer a more in-depth understanding of the subject of accounting conservatism. By concentrating on the board characteristics and accounting conservatism of listed industrial goods firms in Nigeria, this study specifically aims to close the identified gap.

The following are the research questions of the study:

- i. How does board gender diversity significantly affect accounting conservatism of listed industrial goods firms in Nigeria?
- ii. How does board independence significantly affect accounting conservatism of listed industrial goods firms in Nigeria?
- iii. How does board diligence significantly affect accounting conservatism of listed industrial goods firms in Nigeria?
- iv. How does board ownership significantly affect accounting conservatism of listed industrial goods firms in Nigeria?

The aim of this study is therefore, to examine credit risk management and profitability of listed deposit money banks in Nigeria. Specifically, the study tends to:

- i. Ascertain the significant effect of board gender diversity on accounting conservatism of listed industrial goods firms in Nigeria
- ii. Investigate the significant effect of board independence on accounting conservatism of listed industrial goods firms in Nigeria.
- iii. Find out the significant effect of board diligence on accounting conservatism of listed industrial goods firms in Nigeria.
- iv. Examine the significant effect of board ownership on accounting conservatism of listed industrial goods firms in Nigeria.

2. Theory and Hypotheses

This study considers agency cost theory, pecking order theory, and signalling effect theory. This study, however, is based on Agency Theory. Agency theory explains agents' self-interested actions, which logically prioritise their personal gains over the welfare of the principals. This usually leads to an issue of agency between the agents and the principal. The theory stated that corporations have two principal actors: the principal and the agent. The agent works for the principal, and the principal pays the agent for the services rendered. Clash of interest is usually caused by the separation of ownership and management (Saeed, 2020).

Accounting Conservatism

The tendency of accountants to demand more verification when classifying good news as gains than when classifying bad news as losses is known as conservatism. This interpretation characterizes conservatism from the perspective of gains and losses and reflects the asymmetrical verification requirements for gains vs. losses. In contrast, accounting conservatism was defined by Eno, Hycienth and Essien (2023) as a criterion for choosing among accounting principles that minimizes cumulative reported earnings and net assets through reduced asset valuation and revenue recognition. According to Watts (2021), conservatism is the differential verifiability needed to distinguish between profits and losses. As a result, conservatism places more emphasis on losses than gains in terms of verification. However, this interpretation fails to distinguish clearly between conservatism linked to the asymmetric timely recognition of actual losses and gains (ex-post sense) and conservatism linked to the recognition of anticipated losses but not gains. The adoption of conservative accounting techniques is another definition of accounting conservatism (Eno *et al.*, 2023).

The traditional definition of accounting conservatism is "foresee all losses, but anticipate no profit." But this extreme version of accounting conservatism has been replaced with a milder version. These days, accounting conservatism is seen as an imbalance in the degree of verification required to identify assets and gains separately from liabilities and losses. In comparison to the recognition of expenses or liabilities, a higher degree of verification is necessary for the recognition of expenses or liabilities (Watts, 2021).

Board gender diversity and accounting conservatism

There have been more studies conducted recently on the relationship between board gender diversity and accounting conservatism from various countries because gender-diverse boards have a unique set of knowledge, information, experiences, skills, and networks (Owolabi, Bamisaye & Efuntade, 2023). A board comprising female members is better equipped to balance the performance-based interests of shareholders with the interests of various stakeholders, such as workers, clients, suppliers, and communities. Souhei (2022) offers support for this argument, having examined three distinct rationales for acknowledging the significance of female

representation on boards. Generally speaking, female board members are more knowledgeable about the market than their male counterparts. Consequently, this comprehension will improve the board's decision-making. Secondly, having female board members will improve a company's reputation in the eyes of the community, which will boost the performance of the company. Third, the appointment of female board members will improve the comprehension of the business environment by other board members. Therefore, having women on staff improves a company's performance both directly and indirectly (Souhei, 2022).

In order to challenge management's way of thinking, a diverse board is necessary for effectiveness, which is why diversity on the board is demanded. Board diversity refers to the presence of individuals with varying acceptable character traits within the board membership. Diversity in the context of corporate governance refers to the makeup of the board and the amalgamation of the various traits, attributes, and proficiencies of the individual members with regard to the board's decision-making and other procedures. Diversity on the board reflects the range of individual traits that contribute to the workforce's heterogeneity. Agbaeze (2018) included educational background, professional experiences, and functional background; Simon (2014) added the number of boards on which directors serve as well as outside board representation. Being a diverse "brain bank" for a company is what it means to have a diverse set of traits on a board. Therefore, the term "board diversity" refers to the variety of personal traits and physical distinctions among board members that contribute to the heterogeneity of the board. Accounting conservatism performance may be impacted by diversity, which has been recognised as a basic governance concern.

Egbadju (2024) investigated the impact of corporate governance characteristics on accounting conservatism in Nigeria. The research encompasses 75 non-financial companies listed on the Nigerian Exchange Group floor between 2005 and 2020. The generalized method of moments' results showed that gender diversity has significant impact on the board. The study offers some suggestions, including that management should keep or grow the current proportion of foreign representation on the board, managerial ownership, and the size of the audit committee, as these factors enabled management to adhere to prudent financial reporting practices during the period under review.

Hycienth (2023) investigated how the gender diversity and diligence of the board affected the listed manufacturing firms in Nigeria's accounting conservatism. An expo-facto research design was used in the study. The Nigeria Exchange group comprises 57 companies that were the study's population. Secondary data were used in the research. Both descriptive statistics and linear regression analysis were used to analyse the data. The outcome showed that there was a statistically significant relationship between board gender diversity and accounting conservatism of listed manufacturing firms in Nigeria. It was suggested that in order to encourage more unbiased and critical viewpoints in board decision-making, more women should be appointed to boards.

Christian, Anichebe and Emeka-Nwokeji (2022) examined the effect of board composition on accounting conservatism in Nigerian listed non-financial companies was studied by Christian et al. in 2022. The study used a longitudinal research design and covered the years 2010–2019. The sample consisted of 75 quoted non-financial firms that were classified as part of the Nigerian Exchange Group. Secondary data were gathered for this study from pertinent Nigerian Exchange Group fact books, annual reports, and accounts of the sampled companies in Nigeria. Descriptive statistical techniques, including the mean, standard deviation, range, and frequency distribution, were used in this study. The estimated regressions for the fixed effects (FE) and random effects (RE) are more significant. The result showed that, especially for accrual-based metrics, board gender diversity significantly affects accounting conservatism. In order to prevent unhealthy

skewedness in board decisions, the study suggests that corporate boards should reflect and represent the interests of all significant stakeholders.

Musa and Temitope (2023) investigated the impact of corporate governance on accounting conservatism in Nigerian quoted firms. An ex-post facto research design was used. The population of this study included 17 food and beverage firms listed on the Nigerian Exchange Group (NGX) as of December 31st, 2021, 14 of which were chosen using the Purposive Sampling Technique. The data were obtained from the published audited financial statements. The study analyzed data using descriptive and inferential statistics. The result revealed that corporate governance (board gender composition, audit committee composition, and risk management committee composition) had no significant impact on the accounting conservatism of quoted Nigerian firms. It was recommended that policy makers should pay close attention to corporate governance policies and measures such as the gender composition of the board, composition of audit committee and risk management committee in order to enhance accounting conservatism and bring about accounting conservatism and by extension improve the quality of financial statements.

H₀₁: Board gender diversity has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria

Board independence and accounting conservatism

In many situations, independence is crucial. It is vital that non-executive directors on a board maintain some degree of independence from their executive counterparts, and that external auditors remain impartial towards their clients and internal auditors remain impartial towards the colleagues they audit. However, individuals can possess independence, which is a necessary attribute of professionalism and professional conduct. Independence means avoiding being unduly swayed by a vested interest and removing any obstacles that might prevent the right course of action from being chosen. It is the capacity to stand apart from unsuitable influences and to be free from managerial capture, enabling one to decide on a particular matter in an accurate and untainted manner (Gehya, 2019).

Apart from their role as board members, independent directors are those who have no other personal or professional affiliation with a company. They go by the name "external directors" as well. It is anticipated that the presence of independent directors on a board will counteract the opportunistic behaviours of internal members by helping to separate the management and control responsibilities of the organisation. Furthermore, independent directors are more likely to have a broader perspective and engage with a wider range of stakeholders, which may lead to a greater exposure to performance requirements (Oudat, 2020).

Eno, Hycienth and Essien (2023) evaluated the relationship between accounting conservatism and corporate governance mechanisms in Nigerian listed companies. Research design expo-facto was used in the study. The Nigerian Exchange group comprises 57 companies that were the study's population. Using the Taro Yamane formula, the sample size was calculated to be 25 companies. Both descriptive statistics and linear regression analysis were used to analyses the data. The result revealed that there is a statistically significant relationship between board independence and the accounting conservatism of Nigerian listed manufacturing companies. The degree of accounting conservatism exhibited by Nigerian listed manufacturing firms is significantly impacted by board independence.

Phapho, Pichetkun and Ngudgratoke (2020) investigated how Singaporean and Malaysian accounting conservatism was impacted by board characteristics. The study's population consisted of registered businesses that were active in 2018 and filed their annual reports, including 488

businesses from the Singapore Exchange and 789 businesses from Bursa Malaysia. Multiple regression was used in the study to test the hypotheses. The results of the multiple regression analysis showed that board independence and size had positive, significant effects on accounting conservatism. It was possible that larger audit committees would make management control more difficult to achieve and cause issues with coordination and communication. Ain, Agus, Kiswanto and Indra (2020) examined the impact of corporate governance practices on accounting conservatism was examined. 135 manufacturing companies that were listed on the Indonesia Stock Exchange (IDX) between 2014 and 2016 make up the study's population. The study demonstrates that accounting conservatism is significantly enhanced by board independence.

Surachai, Jintana, Sukanya, and Laddawan (2020) used a pooled regression model to examine the relationship between accounting conservatism and board independence attributes of listed companies on the Stock Exchange of Thailand from 2014 to 2018. The Basu Model (1997) was used to collect the 1,855 firm-year observation samples that were used to measure accounting conservatism. The empirical findings indicate that accounting conservatism rises with the number of independent directors.

H₀₂: Board independence has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria

Board diligence and accounting conservatism

In this context, "board diligence" refers to the quantity or regularity of board meetings. While some studies recommend against holding frequent board meetings, others think that doing so will improve the firm's performance. According to Ghosh (2017), there is a statistically significant correlation between board diligence and firm performance. Specifically, a 10% increase in diligence results in a 1% increase in the organization's performance. Ntim and Osei (2021) conducted a study on South African listed firms from 2002 to 2007 and discovered a positive correlation between the frequency of board meetings and firm performance. Regular meetings among the board members enhanced their capacity for management, supervision, and consultation, and this led to strong financial performance for the company.

Ahmed and Duellman (2017) investigated the impact of board gender diversity and diligence on listed manufacturing firms' accounting conservatism in Nigeria. The study used the expo-facto research design. The study included 57 companies listed on the Nigeria Exchange group. The study covered the fiscal years 2007 through 2021. The study relied on secondary data. The data were examined using descriptive statistics and linear regression analysis. The effect of board gender diversity on accounting conservatism among Nigerian listed manufacturing firms was statistically significant. Board diligence has a significant impact on the accounting conservatism of Nigeria's listed manufacturing firms. It was suggested that more female members be appointed to boards in order to foster more objective and critical perspectives on board decision making.

Sutathip, Nuchjaree and Sungworn (2020) investigated whether corporate governance could explain accounting conservatism in Malaysia and Singapore. This study used 389 samples, including 244 firms from Bursa Malaysia and 145 firms from the Singapore Exchange, excluding financial firms. The data were analysed using multiple regression. The research findings were explained using the concepts of large and small board members and accounting conservatism. The results also revealed that the board's diligence has a significant and positive impact on accounting conservatism.

Almutairi and Quttainah (2019) look at how Islamic banks' distinct corporate governance systems influence accounting conservatism behaviours. A study in 15 countries found that Islamic banks tend to be more conservative in accounting practices than non-Islamic banks, with a 95%

difference depending on model specifications and total assets. Furthermore, they report several board characteristics, such as diligence, which is a significant predictor of accounting conservatism in Islamic banks.

H₀₃: Board diligence has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria

Board ownership and accounting conservatism

Shareholders contribute equity capital and bear the company's risk. The directors report on their stewardship to the shareholders at the annual general meeting. Shareholders appoint directors to run the business on their behalf. In a publicly traded company, shareholders are classified into various categories. Some may be members of the management team, while others may own controlling shares. Others may be foreign or institutional investors. Public companies have ownership structures that are classified as managerial, concentrated or block ownership, institutional, and foreign ownership (Qeshtaa, 2020).

The ownership is unequal between investors. The structure may lead to a conflict of interest between the owners and the managers as a result of an information gap. Another major conflict exists between the block holders (controlling and non-controlling shareholders) due to the possibility that the controlling shareholders may want to deprive the non-controlling owners of some benefits and expropriate them for their own entrenchment purposes (Michael & Ambrose, 2021).

Foreign investors prefer firms with large investments and abundant information, which they frequently associate with low levels of information asymmetry. Furthermore, they have stronger motivations, experience, and skill sets to independently analyse companies, and this increased monitoring ability is poised to influence their demand for the accuracy of accounting information, causing them to turn to greater conservatism as a means of achieving that end.

Chiedu, Emeka-Nwokeji, and Owa (2022) investigated the relationship between ownership structure and accounting conservatism using non-financial listed firms in Nigeria. They used an ex-post facto research design, and the study ran from 2010 to 2019. Secondary data was collected for their study from the annual reports and accounts of the sampled Nigerian companies, as well as some relevant Nigerian Exchange Group fact books. The impact of ownership structure on accounting conservatism was examined using panel regression. The study found that ownership structure has a significant impact on accounting conservatism. The effect of managerial ownership is particularly strong for MTB and income statement indicators, whereas foreign ownership has a significant effect on the MTB measure of accounting conservatism.

Saeed (2020) investigated the relationship between accounting conservatism and corporate governance. Panel data from 300 businesses in Bangladesh, India, and Pakistan was used by the researcher from 2009 to 2015. Accounting conservatism was the dependent variable, and audit committee independence, board activity, board independence, board size, CEO duality, CEO turnover, gender diversity on the board, institutional shareholding, managerial shareholding, and auditor type were proxies for the independent variable of corporate governance mechanisms. Firm Size, Leverage, Profitability, and Sales Growth were the control variables. The empirical findings demonstrated that, in the case of Bangladesh, the only governance measures that had an effect on accounting conservatism were CEO duality and institutional shareholding. The study came to the conclusion that accounting conservatism was influenced by corporate governance. Jaimuk, Nilapornkul, and Ngudgratoke (2020) investigated the effect of board member characteristics, ownership structure, and information communication technology on accounting conservatism. Multiple regression models and Pearson correlation were used as statistical tools in the analysis.

The results showed that ownership structure had a significant influence on accounting conservatism. In their 2019 study, Asiriwa, Akperi, Uwuigbe, Nassar, Ilogho, and Eriabe investigated how ownership structure affected accounting conservatism in listed Nigerian companies. This study used a correlational research design, and the sample size included all 15 banking companies listed between 2013 and 2017 on the Nigerian Stock Exchange (NSE). To estimate the coefficients of the variables in the given model, the study used the panel regression technique. The study revealed that there is a significant positive relationship between managerial ownership and accounting conservatism. It was suggested that regulatory agencies make sure all businesses adhere to the conservative concept by punishing companies that make mistakes harshly.

H₀₄: Board ownership has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria

3. Methodology

The ex-post factor research design is used in this study due to the fact that the variables cannot be manipulated by the researcher. This method was adopted since social scientific research problems do not lend themselves to experimental and controlled inquiry of the ex-post factor kind. Also, this research design makes it impossible to select, control and manipulate the factors necessary to study cause-and-effect relationships directly.

The secondary source of data collection was used for this study where data was gathered from audited annual reports of selected listed industrial goods firms in Nigeria. However, for the purpose of this study, eight (8) years annual reports of ten (10) selected consumer goods firms were adopted.

The study employed multiple regression technique of analysis using Least Squares regression estimation. This method was adopted because it enhances easy presentation and interpretation of data.

The empirical model of the study is mathematically expressed as follows;

$$ACC_{it} = \alpha + \beta_1 BGD_{it} + \beta_2 BIN_{it} + \beta_3 BDG_{it} + \beta_4 BOW_{it} + \epsilon_{it}$$

Where;

ACC_{it} = Accounting Conservatism

BGD_{it} = Board Gender Diversity

BIN_{it} = Board Independence

BDG_{it} = Board Diligence

BOW_{it} = Board Ownership

ϵ_{it} = Error term

α = Intercept

$\beta_1 - \beta_3$ = Coefficients of parameters estimated

4. Data Analysis and Results

Table 1: Summary of Descriptive Statistics

Descriptive Statistics									
	N	Minimum	Maximum	Mean	Std. Dev	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
ACC	99	-1319.40	143.51	-7.3086	139.05880	-8.723	.243	82.929	.481
BGD	99	.00	66.67	16.7788	15.05609	.710	.243	.263	.481
BIN	99	50.00	94.44	76.3717	10.09337	-.654	.243	.058	.481
BDG	97	2.00	10.00	4.629	1.2527	1.227	.245	2.642	.485
BOW	99	.00	88.44	23.1061	26.74469	.935	.243	-.366	.481
N	97								

Source: Output of data analysis by author using SPSS (2024)

From the above table, the dependent variable, accounting conservatism (ACC) has a mean value of -7.3086, standard deviation of 139.05880, minimum value of -1319.40 and maximum of 143.51. The independent variables; board gender diversity (BGD) has a mean value of 16.7788 and a standard deviation of 15.05609, a minimum and maximum value of 0.00 and 66.67 respectively. Board independence (BIN) has a mean value of 76.3717, standard deviation of 10.09337, minimum value of 50.00 and maximum value of 94.44. Board diligence (BDG) has a mean value of 4.629, standard deviation of 1.2527, minimum value of 2.00 and maximum of 10.00. Board ownership (BOW) has a mean value, standard deviation, minimum and maximum values of 23.1061, 26.74469, 0.00 and 88.44 respectively.

Table 2: Summary of Regression result

Model Summary	
Multiple R	.166
R Square	.270
Adjusted R Square	.150
Std. Error of the Estimate	141.531

Coefficients					
	Unstandardized Coefficients		Beta	t	Sig.
	B	Std. Error			
(Constant)	-150.536	118.650		-1.269	.208
BGD	1.002	.994	.109	1.008	.316
BIN	1.526	1.437	.110	1.062	.291
BDG	1.844	12.055	.016	.153	.879
BOW	.058	.547	.011	.106	.916

Source: Output of data analysis by author using SPSS (2024)

The B column discusses the coefficient of the model. This indicates that a 1500% decrease in accounting conservatism is influenced by 100.2% increase in board gender diversity, 152.6% increase in board independence, 184.4% increase in board diligence and 5.8% increase in board ownership.

The cumulative adjusted R^2 (0.150) which is the multiple coefficient of determination gives the proportion or percentage of the total variation in the dependent variable as explained by the independent variables jointly. Hence, it signifies that 15% of the total variation in accounting conservatism of industrial goods firms is caused by the proxies of board attributes. This is quite fair so predictions from the regression equation are fairly reliable. It also means that 85% of the variation is still unexplained so adding other independent variables could improve the fit of the model. This indicated that the model is fit and the explanatory variable are properly selected, combined and used. The findings have theoretical, practical and regulatory significance. This significance represents the contributions of the study which are expected to benefit the existing body of knowledge within the accounting and finance research, regulators and providers of accounting services.

Hypotheses Testing

Considering the significant effect of board gender diversity on accounting conservatism of listed industrial goods firms in Nigeria, the regression result in table 4 indicate that board gender diversity has a positive and insignificance influence on accounting conservatism of listed industrial goods firms in Nigeria. This was proved by the beta coefficient value of 0.109 and a t-value of 1.008 which has a p-value of 0.316 which is insignificance at 5% significance level. This leads to the acceptance of null hypothesis and rejection of alternative hypothesis. Hence, it is concluded that board gender diversity has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria.

Considering the significant effect of board independence on accounting conservatism of listed industrial goods firms in Nigeria, the regression result in table 4 indicate that board independence has a positive and insignificance influence on accounting conservatism of listed industrial goods firms in Nigeria. This was proved by the beta coefficient value of 0.110 and a t-value of 1.062 which has a p-value of 0.291 which is insignificance at 5% significance level. This leads to the acceptance of null hypothesis and rejection of alternative hypothesis. Hence, it is concluded that board independence has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria.

Considering the significant effect of board diligence on accounting conservatism of listed industrial goods firms in Nigeria, the regression result in table 4 indicate that board diligence has a positive and insignificance influence on accounting conservatism of listed industrial goods firms in Nigeria. This was proved by the beta coefficient value of 0.016 and a t-value of 0.153 which has a p-value of 0.879 which is insignificance at 5% significance level. This leads to the acceptance of null hypothesis and rejection of alternative hypothesis. Hence, it is concluded that board diligence has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria.

Considering the significant effect of board ownership on accounting conservatism of listed industrial goods firms in Nigeria, the regression result in table 4 indicate that board ownership has a positive and insignificance influence on accounting conservatism of listed industrial goods firms in Nigeria. This was proved by the beta coefficient value of 0.011 and a t-value of 0.106 which has a p-value of 0.916 which is insignificance at 5% significance level. This leads to the

acceptance of null hypothesis and rejection of alternative hypothesis. Hence, it is concluded that board ownership has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria.

Discussion of Findings

The results indicate that almost all the variables are significantly normally distributed at 5% level of significance. The correlation matrix indicates the variables have mixed relationships. The results also indicate the absence of multi-collinearity.

The findings from the first hypothesis revealed that board gender diversity has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria. This findings is in agreement with the findings of Christian, Chiedu, Anichebe and Emeka-Nwokeji (2022), Ogiriki and Suwari (2022), Saeed (2020) and Mohammed, Ismail and Amran (2019) but in disagreement with the results of Makhoulf, Al-Sufy and Almubaideen (2018), García-Sánchez (2017) and Wang (2015).

The findings from the second hypothesis revealed that board independence has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria. This findings correlates with the findings of Eno, Hycienth and Essien (2023) and Phapho, Pichetkun and Ngudgratoke (2020) while it negates the findings of Suleiman, Jamilu, and Jamilu (2020), Ain, Agus, Kiswanto and Indra (2020) and El-habashy (2019).

The findings from the third hypothesis revealed that board diligence has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria. This result agrees with the findings of Ahmed and Duellman (2017), Christian, Anichebe, and Emeka-Nwokeji (2022) and Sutathip, Nuchjaree and Sungworn(2020) while it negates the findings of Almutairi and Quttainah (2019), Adegbie, Oyesola and Salawu (2019) and Akbar, Jalal, Morteza and Javadian (2013).

The findings from the forth hypothesis revealed that board ownership has no significant effect on accounting conservatism of listed industrial goods firms in Nigeria. This is further strengthened by the position of Chiedu, Emeka-Nwokeji and Owa (2022), Ogiriki and Suwari (2022) and Musa and Temitope (2023) while it disagrees with the results of Jaimuk, Nilapornkul and Ngudgratoke (2020).

5 Conclusion and Limitations

Conclusion

Conservatism has long been a prominent feature of accounting information, and recent research has revealed a significant increase in conservatism over the last several decades. Several explanations are proposed to justify the existence of conservatism, and existing empirical evidence supports the contractual and litigation explanations, though taxation and regulation also contribute to conservatism's existence. However, several criticisms have been levelled at the practice of accounting conservatism, primarily because it is a very poor method for dealing with uncertainty in valuation and income, and it has resulted in a distortion of accounting data as well as a lack of comparability because there are no uniform standards for its implementation.

The following recommendations are hereby made:

- i. More female members should be appointed into boards to stimulate more objective and critical perspectives to board decision making. This is because women generally exhibit more independent thinking and are more risk-averse and less prone to overconfidence than male directors on corporate boards. These female traits increase board's effectiveness and

- monitoring capacity and have the potential to translate into positive effects on the accounting reporting quality and conservative accounting practices of firms in Nigeria.
- ii. In other to promote accounting conservatism, deliberate efforts should be made to maintain the independence of the board by increasing the number of non-executive directors on the board. Particular emphasis and preference should be given to persons of calibre and credibility who possess the required skills and experience to positively impact the functions of the board.
 - iii. To enhance board diligence, frequent attendance to board meetings by directors should be promoted to guide management towards pursuing shareholder interests and for strengthening monitoring and control over management actions and performance.
 - iv. Undue increase in management ownership in listed manufacturing entities in Nigeria should be discouraged as evidence from the present study shows that it does not have significant positive influence on account conservatism in the sector. This is justifiable on grounds of the entrenchment effect whereby controlling management shareholders appropriate private benefits to themselves at the expense of other shareholders through accounting method choice and less accounting conservatism; a situation that creates agency problem at the point of separating ownership from management with the managers who are part-owners running the business activities in favour of their own interests to the disadvantage of other shareholder. Therefore, greater management ownership provides managers with deeper entrenchment in the operations of the firm, and this creates greater scope for opportunistic behaviour.

Limitations of the Study

One major limitation the study faced was the number of units to be studied. In a bid to restrain and limit the study, the researcher was faced with the challenge of choosing the number of firms to be studied. Consequently, the research limited the scope to listed industrial goods firms in Nigeria.

Another problem faced by the study is generalization issue. However, in a bid to solve this problem, the researcher studied a significant number of companies with wide years range. This is to ensure the results gotten can be true representation of the entire sector. Furthermore, the challenge of instrument of data analysis was encountered where the researcher was divided on which analytical tool should be used to analyze the data and eliminate bias. Hence, the research resorted to least square regression method, using SPSS so as to reduce the error margin and ensure efficiency.

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