

**THE INFLUENCE OF PERSONAL ETHICS ON FINANCIAL REPORTING QUALITY**



**Ufuoma Isabella OKAREVU**  
**MGS2206749**

**DEPARTMENT OF ACCOUNTING**  
**FACULTY OF MANAGEMENT SCIENCES**  
**UNIVERSITY OF BENIN**  
**BENIN CITY**

**NOVEMBER, 2025**

**THE INFLUENCE OF PERSONAL ETHICS ON FINANCIAL REPORTING QUALITY**

**Ufuoma Isabella OKAREVU**

**MGS2206749**

**BEING A PROJECT SUBMITTED TO THE DEPARTMENT OF ACCOUNTING,  
FACULTY OF MANAGEMENT SCIENCES, UNIVERSITY OF BENIN, BENIN CITY  
FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE BACHELOR  
OF SCIENCE (B.SC.) DEGREE IN ACCOUNTING, UNIVERSITY OF BENIN**

**NOVEMBER, 2025**

## **DECLARATION**

**I, Ufuoma Isabella OKAREVU**, hereby declare that;

The Study is a research work undertaken by me in the Department of Accounting, Faculty of Management Sciences, University of Benin, under the supervision of Dr. (Mrs). Wilson-Oshilim Uduak.

This work has not been previously submitted for the award of any degree elsewhere.

All ideas and views are products of my personal research and where the views of others have been expressed; they have been duly referenced and acknowledged.

---

**Ufuoma Isabella OKAREVU**  
**MGS2206749**

---

**DATE**

## **CERTIFICATION**

We the undersigned, hereby certify that this research work was carried out by Ufuoma Isabella OKAREVU with Matriculation Number: MGS2206749 of the Department of Accounting, Faculty of Management Sciences, University of Benin, Benin City in partial fulfilment of the requirements for the Award of Bachelor of Science Degree (B.SC.) in Accounting.

---

**Dr. (Mrs). Wilson-Oshilim Uduak**  
(Project Supervisor)

---

**Dr. Ikhu-Omeregbe Godstime**  
(Project Coordinator)

---

**Date:**

---

**Date:**

---

**Prof. Osasu Obaretin**  
(Head of Department)

---

**Date**

v

## **DEDICATION**

This work is dedicated first and foremost to Almighty God for His unfailing love and to my parents for their love and support.

## ACKNOWLEDGEMENT

I would like to express my deepest gratitude to the following individuals whose unwavering support and encouragement played a crucial role in the successful completion of this project.

My deepest gratitude goes to my project supervisor, Dr. (Mrs). Wilson-Oshilim Uduak. Her guidance, patience, and encouragement were invaluable throughout this project. Her constructive criticism and constant support contributed immensely to the success of this work. I would also like to appreciate my amazing lecturers, Prof. Obaretin, Prof. Omoye, Dr. Albert, Dr. Umana and my other lecturers for their great impact on my academic journey.

I am profoundly grateful to my parents, Mr. Smart Okarevu and Mrs. Chika Okarevu, for their endless love, prayers, and unwavering support throughout my stay at the University of Benin. Thank you for always providing for my needs and wants, and for believing in me every step of the way. To my wonderful siblings, Ella and Isaac, I sincerely appreciate your love, understanding, and support. You have been a great source of motivation and joy to me. I also want to appreciate my Uncle, Mr. Charles Emeka Nwogu for his support.

My heartfelt appreciation also goes to my dear friend and roommate, Debby, for being not just a wonderful friend but also an amazing roommate. Thank you for your care, kindness, and for always being there for me. To my lovely friend Faith, I am grateful for your love, encouragement, and constant support — your friendship means a lot to me. A special thank you goes to Bolu, the elder sister I never had. Thank you for your love, care, and genuine support. You constantly

inspire me to be my best — from my academics down to my dressing sense! My heartfelt thanks go to Dave, a friend like no other. I deeply appreciate your care, concern, and the way you always checked up on me, especially regarding my project work. Your support truly made a difference. I also want to appreciate my class rep, Destiny Ehigiator and my class PRO, Paul Ivharue, for always being easily approachable and helpful throughout my academic journey. To all my friends, I appreciate your companionship, laughter, and encouragement throughout this journey.

I'm deeply grateful to my church, RACAi POK, for the powerful teachings and guidance that have shaped me into the person I am today. Through the Word, love, and discipline I've received, I've grown in faith, character, and purpose. Thank you to our pastors and leaders for your dedication and impact. I'm truly blessed to be part of this transformative family of faith.

To everyone who has contributed in one way or another to the success of this work, I say thank you and may God bless you all abundantly.

## TABLE OF CONTENTS

COVER PAGE .....	i
TITLE PAGE .....	ii
DECLARATION .....	iii
CERTIFICATION .....	iv
DEDICATION .....	vi
ACKNOWLEDGEMENT .....	vii
TABLE OF CONTENTS .....	ix
LIST OF TABLES .....	xiii
ABSTRACT .....	xiv
CHAPTER ONE .....	1
INTRODUCTION .....	1
1.1 Background of the Study .....	1
1.2 Statement of the Problem .....	2
1.3 Objectives of the Study .....	5
1.4 Research Questions .....	6
1.5 Research Hypotheses .....	6
1.6 Significance of the Study .....	7
1.7 Scope of the Study .....	8
1.8 Limitations of the Study .....	9
CHAPTER TWO .....	11
LITERATURE REVIEW .....	11
2.0 Introduction .....	11

2.1 Conceptual Frameworks .....	12
2.1.1 Personal Ethics .....	12
2.1.2 Components of Personal Ethics: Integrity, Professional Competence, Transparency, Accountability and Self-discipline .....	12
2.1.3 Financial Reporting Quality .....	14
2.1.4 The Interplay between Ethics and Professional Judgment .....	16
2.2 Theoretical Review .....	17
2.2.1 Stewardship Theory .....	17
2.2.2 Kohlberg’s Theory of Moral Development .....	18
2.2.3 Agency Theory and Ethics-Based Models .....	19
2.2.4 Moral Intensity Theory .....	21
2.2.5 Integrative Evaluation and Relevance to the Study .....	22
2.2.6 Relationship Between Personal Ethics and Financial Reporting Quality .....	24
2.3 Empirical Review .....	26
2.3.1 The Influence of Integrity on Financial reporting quality .....	26
2.3.2 Professional Competence and Transparency of Financial reporting practices .....	27
2.3.3 Accountability and Compliance with Accounting Standard .....	28
2.3.4 Self discipline on prevention of unethical manipulations .....	29
2.4 Ethical Failures and Financial Scandals: Lessons Learned .....	31
2.5 Gaps from the Empirical Literature .....	33
<b>CHAPTER THREE</b> .....	<b>36</b>
<b>METHODOLOGY OF RESEARCH</b> .....	<b>36</b>
3.1 Introduction .....	36
3.2 Research Design .....	36
3.3 Population and Sampling .....	37

3.4 Method of Data Collection .....	38
3.5 Model Specification .....	39
3.6 Method of Data Analysis .....	40
3.6.1 Descriptive Statistics .....	40
3.6.2 Pearson Product-Moment Correlation Analysis .....	41
3.6.3 Multiple Regression Analysis .....	41
3.6.4 Analysis of Variance (ANOVA) .....	42
3.7 Validity of the Research Instrument .....	42
3.8 Reliability of the Research Instrument .....	42
3.9 Ethical Considerations .....	43
CHAPTER FOUR .....	44
DATA PRESENTATION, ANALYSIS, AND INTERPRETATION .....	44
4.1 Introduction .....	44
4.2 Data Presentation .....	44
4.3.1 Analysis of Demographic Data of Respondents .....	45
4.3.2 Analysis of Psychographic Data .....	47
4.4 Reliability Test .....	54
4.5 Test of Hypotheses .....	56
4.6 Regression Results .....	60
4.7 Discussion of Research Findings .....	63
4.8 Summary of Chapter Four .....	66
CHAPTER FIVE: .....	68
SUMMARY, CONCLUSION, AND RECOMMENDATIONS .....	68
5.0 Introduction .....	68
5.1 Summary of Findings .....	68

5.2 Conclusion .....	69
5.3 Recommendations .....	71
5.4 Suggestions for Further Studies .....	71
5.5 Contribution to Knowledge .....	72
REFERENCES .....	74
<b>APPENDIX</b> .....	<b>93</b>

## LIST OF TABLES

Table 4.1 Demographic Characteristics of Respondents	45
Table 4.2: The Influence of Integrity on Financial reporting quality	47
Table 4.3: Professional Competence and Transparency of Financial reporting practices	48
Table 4.4: Accountability and Compliance with Accounting standards	49
Table 4.5: Self-discipline on prevention of unethical manipulations	51
Table 4.6: Financial Reporting Quality	52
Table 4.7: Reliability Test of Research Constructs	54
Table 4.8: Regression Result for Integrity and Financial Reporting Quality	56
Table 4.9 : Regression Result for Professional Competence and Financial Reporting Quality	57
Table 4.10: Regression Result for Accountability and Financial Reporting Quality	58
Table 4.11: Regression Result for Self-Discipline and Financial Reporting Quality	58
Table 4.12: Regression Model Summary	59
Table 4.13: ANOVA Result	60
Table 4.14: Regression Coefficients	61

## ABSTRACT

This study examined the influence of personal ethics on financial reporting quality, using the University of Benin as a case study. The research was motivated by the increasing concern over unethical accounting practices that undermine the reliability and credibility of financial statements in University of Benin. Specifically, the study sought to determine how core personal ethics shape the accuracy, reliability, and credibility of financial reports prepared by accounting professionals within the institution. A descriptive survey research approach was employed to collect quantitative data, ensuring that the findings could be generalized within the institutional context. Structured questionnaires were administered to a purposively selected sample of Accountants, Auditors, Financial Controllers and Budget Officers, and Accounting academics at the University of Benin. These instruments were designed to capture respondents' perceptions of ethical conduct, adherence to professional codes of ethics, and the extent to which personal ethical orientation affects their reporting practices. The results revealed that strong personal ethics among accounting professionals significantly enhance the quality of financial reporting, leading to improved accuracy, objectivity, and compliance with established accounting standards. Respondents who demonstrated high levels of integrity and honesty were more likely to produce financial reports that accurately reflect the institution's financial position and performance. Furthermore, the study found that ethical transparency fosters greater stakeholder trust, institutional credibility, and accountability, thereby reducing the likelihood of financial misstatements and manipulation. Based on these findings, the study concluded that personal ethics play a critical role in sustaining high-quality financial reporting practices. It recommended that organisations, particularly higher education institutions, should intensify ethics-based training programs, promote adherence to professional ethical codes (such as those outlined by the Institute of Chartered Accountants of Nigeria and other regulatory bodies), explore the impact of emerging technologies, and enforce strict disciplinary measures against unethical behaviour. By embedding ethical consciousness into their accounting and reporting culture, organizations can ensure greater transparency, reliability, and accountability in their financial disclosures, thereby strengthening public confidence and institutional reputation.

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

Financial reporting is crucial in providing stakeholders, including investors, regulators, creditors, and the public, with accurate and timely information. Its primary objective is to give a true and fair view of an organisation's financial position and performance (International Federation of Accountants [IFAC], 2020). Personal ethics, particularly professional competence, integrity, and accountability, are becoming increasingly acknowledged as important factors that influence the quality of financial decisions. According to empirical research, these characteristics lessen the likelihood of fraud (Beneish, 1999), enhance disclosure transparency (Barth *et al.*, 2008), and lessen earnings manipulation (Graham *et al.*, 2017), particularly in settings with lax institutional constraints. Individual moral judgment dictates real behavior, particularly in discretionary areas like revenue recognition or projections, while ethical rules offer frameworks (Nelson, 2003). This 'ethical gap' is most noticeable in situations where regulations are unclear or supervision is inadequate (Beneish, 1999; Okike, 2007).

The Enron, WorldCom, and Wirecard scandals exemplify how moral lapses, including dishonesty and moral disengagement, can facilitate financial fraud and erode trust.

Financial fraud is made possible by cognitive biases and rationalizations, as demonstrated by Murphy and Dacin's (2011) psychological framework. Their research shows that even morally upright people can use self-deception techniques to defend against reporting manipulations. As a major concern for this study analyzing ethical influences on financial disclosure practices, this psychological viewpoint critically supports standard governance systems by emphasizing why personal ethics by themselves frequently fall short of ensuring reporting quality.

The purpose of this study is to investigate how personal ethics, notably their professional competence, integrity, and accountability, affect financial reporting quality.

## **1.2 Statement of the Problem**

Despite the establishment of regulatory frameworks such as the International Financial Reporting Standards (IFRS), the Financial Accounting Standards Board (FASB), and ethical guidance from organisations such as the International Ethics Standards Board for Accountants (IESBA), financial reporting failures continue. These regulatory and professional guidelines were designed to ensure uniformity, comparability, reliability, and transparency in financial reports across jurisdictions, thereby promoting investor confidence and sustaining global capital markets. However, in practice, persistent cases of financial misstatements, corporate scandals, and manipulation of earnings figures highlight that the mere existence of these standards and codes of conduct is insufficient to guarantee compliance. This recurring problem suggests that rules

and regulations, while necessary, may not fully address the human and ethical dimensions of financial reporting.

Violations of financial reporting are frequently the result of personal ethical failings, especially those involving professional competence, integrity, and accountability. While technical competence ensures that accountants and financial managers have the knowledge required to prepare accurate statements, ethical convictions determine whether they apply this knowledge responsibly. A lack of integrity often manifests in the deliberate concealment of liabilities, overstatement of revenues, or misrepresentation of organizational performance. For instance, financial professionals under pressure to deliver positive results may prioritize short-term gains over long-term credibility, sacrificing honesty for perceived corporate survival. Thus, ethical weakness at the individual level not only undermines professional codes of conduct but also diminishes the trust placed in financial reporting by stakeholders such as investors, regulators, employees, and the general public.

Report dependability is directly jeopardized by empirical evidence that professionals may fabricate data to hide subpar performance (Beneish, 1999) or reach earnings targets (Dichev *et al.*, 2013). The motivations behind such unethical practices often stem from the desire to meet shareholder expectations, secure executive compensation tied to performance, or maintain organizational reputation. These manipulative practices, however, erode the credibility of financial reporting and can have severe consequences, including financial losses for investors,

corporate bankruptcies, and reputational damage to the profession at large. Cases such as Enron, WorldCom, and more recent financial scandals illustrate the far-reaching effects of compromised ethics, where the consequences extend beyond the organization to destabilize entire markets. Hence, dependability in reporting cannot be sustained by technical frameworks alone; it must be reinforced by strong ethical conduct among professionals.

This discrepancy between ethical instruction and real-world conduct reveals a weakness in contemporary methodology. While universities, professional bodies, and accounting associations emphasize ethics through coursework, training, and codes of professional conduct, the persistence of unethical reporting practices suggests a gap between theoretical learning and practical application. One major challenge lies in the ability of professionals to uphold ethical standards when confronted with conflicting interests, organizational pressure, or ambiguous situations where regulations may not provide clear guidance. In such scenarios, personal values become the decisive factor. If professional competence, integrity, and accountability are not deeply internalized, professionals may succumb to rationalizations that justify unethical practices. Thus, the gap between ethical instruction and actual behaviour underscores the necessity of not only institutionalizing ethical frameworks but also fostering personal moral resilience that can withstand organizational and external pressures.

Existing research has focused on institutional pressures (e.g., Okike, 2007) or individual ethics (e.g., Graham *et al.*, 2017) separately, but my study explores the ways in which personal ethics

like professional competence, integrity, and accountability affect the caliber of financial reporting, particularly in the face of organizational pressure or ethical uncertainty. This integrated perspective is crucial because ethical decision-making in accounting does not occur in a vacuum; rather, it is shaped by both internal convictions and external influences. While institutional factors such as regulatory oversight, corporate governance mechanisms, and organizational culture undoubtedly play a role, they are ultimately mediated by the personal ethics of individuals entrusted with preparing and presenting financial information. By emphasizing the interplay between individual values and structural pressures, my study seeks to bridge a critical gap in existing literature and provide a more holistic understanding of what sustains or undermines the credibility of financial reporting. This approach highlights the need for organizations and professional bodies to cultivate not only compliance with technical standards but also the moral fortitude necessary for resisting unethical practices in real-world situations.

### **1.3 Objectives of the Study**

1. To assess the extent to which integrity influences the accuracy and reliability of financial reporting quality.
2. To examine the effect of professional competence on the transparency of financial reporting practices.
3. To investigate the relationship between accountability and compliance with established accounting standards.

4. To determine how self-discipline affects the prevention of unethical manipulations in financial statements.

#### **1.4 Research Questions**

1. To what extent does integrity influence the accuracy and reliability of financial reporting quality?
2. How does professional competence affect the transparency of financial reporting practices?
3. What is the relationship between accountability and compliance with established accounting standards?
4. How does self-discipline contribute to the prevention of unethical manipulations in financial statements?

#### **1.5 Research Hypotheses**

**H<sub>01</sub>:** Integrity has no significant influence on the accuracy and reliability of financial reporting quality in the University of Benin.

**H<sub>02</sub>:** Professional competence has no significant effect on the transparency of financial reporting practices in the University of Benin.

**H<sub>03</sub>:** Accountability has no significant relationship with compliance to established accounting standards in the University of Benin.

**H<sub>04</sub>:** Self-discipline does not significantly contribute to the prevention of unethical manipulations in financial statements.

## **1.6 Significance of the Study**

This study holds significance for multiple stakeholders in the financial ecosystem. For academic researchers, it contributes to the growing body of literature on personal ethics in accounting and finance. It provides both a theoretical and empirical foundation for understanding the non-technical factors—particularly personal ethics such as integrity, honesty, and transparency—that influence the quality of financial reporting.

For practitioners, including accountants and auditors, the study emphasises the importance of ethical conduct that extends beyond mere compliance with standards. It encourages professionals to critically examine how personal values affect their judgement and behaviour, especially in contexts where discretion and ethical reasoning are required. The study also underscores the need for greater ethical self-awareness in day-to-day financial operations.

Regulators and policymakers may benefit from the insights this research offers by identifying the ethical drivers that shape financial reporting decisions. These insights can inform the development of policies, guidelines, and regulatory frameworks that do more than enforce compliance—they foster a culture of ethical awareness and responsibility.

For business organisations, the findings can help strengthen ethical codes of conduct, inform the design of ethics training programmes, and support improved corporate governance practices. Enhancing the ethical standards of individuals involved in financial reporting can help restore

stakeholder trust, improve market confidence, and contribute to the long-term sustainability of business operations.

Finally, this study will serve as a resource for scholars, researchers, and students with an interest in exploring the intersection of personal ethics and financial reporting quality, particularly in emerging markets where ethical challenges and regulatory limitations may be more pronounced.

### **1.7 Scope of the Study**

This study investigated the extent to which personal ethics influenced financial reporting quality among professionals involved in the preparation, auditing, and oversight of financial statements. The primary focus was on individual-level ethical factors such as professional competence, integrity, accountability, and self-discipline and how they shape reporting decisions in ethically ambiguous contexts.

The study was limited geographically to the University of Benin (UNIBEN), Bursary Department, where concerns about ethical enforcement, financial transparency, and regulatory monitoring are especially prominent. In emerging nations, university finances frequently confront similar issues (limited monitoring, funding pressures) to corporate sectors, making conclusions applicable. Accountants, auditors, financial controllers and budget officers, and accounting academics are among those targeted.

Rather than seeking to explore every factor affecting financial reporting quality, the study deliberately narrowed its focus to personal ethics. This decision reflected the belief that while

accounting standards and organisational frameworks are crucial, it is ultimately the ethical judgment of individuals that determined the integrity, transparency, and reliability of financial reports. The study acknowledged cultural and institutional influences but aimed to isolate the role of personal ethics to better understand their contribution within the specific sociocultural and professional context of the selected region. While the findings may not be universally generalisable, they are intended to offer meaningful insight into the ethical behaviour of financial professionals in similar emerging market environments.

### **1.8 Limitations of the Study**

This study, while offering valuable insights into the influence of personal ethics on the quality of financial reporting, was subject to certain limitations. One of the key challenges lied in the subjective nature of ethics, as individual values are often shaped by diverse factors such as upbringing, cultural background, education, and religion. These factors may affect how respondents interpret and respond to ethical issues in financial reporting.

Additionally, the study relied on self-reported data from financial professionals, which introduced the possibility of social desirability bias—where respondents may provide answers that reflect what is socially acceptable rather than their true beliefs or behaviours. Although every effort was made to ensure anonymity and encourage honesty, this limitation cannot be entirely ruled out.

The study was also constrained by its focus on personal ethics, without deeply exploring the broader organisational and regulatory environments that may influence ethical decision-making. Furthermore, the use of a cross-sectional design restricted the ability to observe changes in ethical behaviour or financial reporting quality over time. The research was geographically limited to professionals within the University of Benin, which may affect the generalisability of the findings. Access to a wider sample may also be restricted by the availability and willingness of respondents to participate.

Despite these limitations, the study remains a meaningful contribution to understanding how personal ethics, particularly professional competence, integrity, and accountability, affect financial reporting quality.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter provides a comprehensive review of relevant literature on the relationship between personal ethics and the quality of financial reporting. It discusses the conceptual definitions of personal ethics and financial reporting quality, explores theoretical models that explain ethical behaviour in accounting, and synthesizes empirical findings on how ethical factors influence financial reporting. The review aims to identify existing scholarly perspectives, expose theoretical and empirical gaps, and justify the need for this study, especially within the Nigerian context. This chapter is organized into six main sections: the conceptual framework, theoretical framework, empirical review, ethical failures and financial scandals, ethics in emerging markets, and identified gaps in literature.

## **2.1 Conceptual Frameworks**

### **2.1.1 Personal Ethics**

Personal ethics refer to the values, principles, and beliefs that guide an individual's behaviour and decisions in both personal and professional contexts. These ethical attributes are internally developed and shaped by cultural, religious, educational, and social experiences, and they serve as a moral compass in everyday judgment and professional duties. In the accounting and financial reporting context, personal ethics are critical, as they influence how individuals interpret and apply accounting standards, especially in situations involving ambiguity or discretion.

Personal ethics significantly impact ethical reasoning and behaviour in accounting practices. They posit that individual ethical orientation plays a decisive role in determining the honesty and transparency of financial disclosures. Personal ethics are fundamental to ethical sensitivity and decision-making in accounting. Their work suggests that personal ethical values determine whether professionals act with integrity in challenging reporting scenarios.

### **2.1.2 Components of Personal Ethics: Integrity, Professional Competence, Transparency, Accountability and Self-discipline**

#### **Integrity**

Integrity involves consistency in ethical behaviour and adherence to moral and professional standards, even when doing so may not result in immediate personal or organizational benefits. It

reflects the willingness to uphold ethical principles regardless of the consequences. Integrity is widely recognized as a core element of personal ethics, involving consistency between moral values and actions (Carter, 1996).

### **Professional Competence**

Professional competence in accounting is the ability to perform one's professional duties to a defined standard, encompassing technical knowledge, professional skills, ethical values, and attitudes to serve the public interest.

Professional competence encompasses cognitive, technical, integrative, contextual, relational, affective/moral dimensions, and habits of mind; it is developmental, impermanent, and context-dependent (Epstein and Hundert 2002).

### **Transparency**

Transparency is the practice of providing clear, complete, and timely financial information to stakeholders. It minimizes information asymmetry and enhances accountability by making the true financial position of an entity visible. Zeena et al. (2021) describe transparency as both a result of personal ethics and a practice that reflects an ethical orientation. It is often measured by

the openness of disclosures, particularly concerning contingent liabilities, related-party transactions, and risk exposures.

### **Accountability**

Accountability is the principle that an individual or organization is responsible for explaining and justifying its actions and decisions, particularly in relation to financial matters and the use of entrusted resources.

Accountability is defined as an elusive concept. A social connection where actors are held accountable for their actions by others (Sinclair 1995).

### **Self-discipline**

Self-discipline is the ability to control your own actions and make sure you follow through with your decisions. It was also defined as the ability to suppress powerful responses in the pursuit of a higher objective, which is not automatic but involves conscious effort (Duckworth & Seligman, 2006).

### **2.1.3 Financial Reporting Quality**

Financial Reporting Quality (FRQ) refers to the degree to which financial statements provide a true and fair view of an entity's financial position, performance, and cash flows. High-quality financial reporting ensures that the information presented is faithfully represented, relevant, verifiable, comparable, and timely, as outlined by the International Federation of Accountants (IFAC, 2020).

Financial reporting quality (FRQ) is the financial report that provides comprehensive and accurate information about the entity's financial situation and performance, according to the International Accounting Standard Board (IASB) (2008). In order to better analyse the entity's operations, FRQ takes into account the completeness of the reported information. Information about an entity's cash flow is practically of great interest to investors. According to IASB (2008), financial reporting is an essential accounting practice that tends to provide information users with the necessary data for economic decision-making about the evaluation of an entity's performance and profitability.

Quality earnings are those that show persistence, suitable smoothness, and predictive value, and that appropriately reflect economic performance, according to Dechow *et al.* (2010). In the context of Nigeria's poor governance, their paradigm emphasizes how manipulation impacts earnings quality. To evaluate reporting integrity, this offers quantifiable criteria (such as accrual quality), indicating that moral accountants generate higher-quality profits. In order to improve financial reporting, the study provides both empirical benchmarks and policy insights.

In order to improve the quality of financial reporting, Barth *et al.* (2008) stress the importance of conservatism, the asymmetric verification criterion that demands greater certainty for identifying gains than losses. According to their research, conservative accounting techniques increase the accuracy of financial statements by lowering the possibility of inflating assets or income, giving stakeholders more trustworthy data. In situations where there is increased uncertainty or

information asymmetry, this caution helps to improve reporting quality by making sure that financial statements accurately depict economic realities. Conservative reporting also improves verifiability and comparability by enforcing higher levels of evidence for identifying favourable results. In order to facilitate more transparent and decision-useful financial disclosures, conservatism corresponds with the qualitative features of useful financial information described in the IFRS Conceptual Framework by requiring losses to be recorded quickly while delaying the recognition of gains.

Thus, Financial reporting quality is not merely a technical construct but one deeply intertwined with ethical behaviour. When financial professionals act with honesty, integrity, and transparency, the resulting reports are more likely to reflect the true economic condition of the organization, thereby supporting sound decision-making by investors, regulators, and other stakeholders.

#### **2.1.4 The Interplay between Ethics and Professional Judgment**

Professional accountants often operate in ethically grey areas, where decisions are not merely technical but moral in nature. The extent to which an accountant adheres to ethical norms during financial reporting may depend on:

1. Internal moral values
2. Professional training
3. Organisational culture
4. Peer influence

## 5. External regulatory pressure

Ethical behaviour in this context does not only prevent fraudulent reporting but also contributes to sustainable business practices.

### **2.2 Theoretical Review**

The theoretical framework provides the conceptual lens through which the relationship between personal ethics and the quality of financial reporting is explored. Ethical conduct in accounting and financial reporting is not governed solely by formal rules and regulatory mechanisms but is also significantly shaped by individual moral values, professional development, and contextual influences such as culture and institutional strength. This study adopts a multidisciplinary approach, drawing upon Stewardship Theory, Kohlberg's Theory of Moral Development, and an integration of Agency Theory with Ethics-Based Models. Together, these theories offer a comprehensive understanding of how ethical disposition influences financial reporting behaviours, particularly within environments characterised by regulatory fragility and ethical ambiguity, such as Nigeria.

#### **2.2.1 Stewardship Theory**

Stewardship Theory posits that individuals—particularly those in managerial or fiduciary roles—may act as stewards whose primary motivation lies in serving the collective interests of their organisation and its stakeholders, rather than pursuing personal gain. This theory fundamentally contrasts with the self-serving assumptions of Agency Theory by proposing that stewards are

intrinsically motivated, pro-organisational, and ethically driven (Davis, Schoorman, & Donaldson, 1997).

Virtues like honesty, accountability, and transparency are examples of stewardship behavior in the context of financial reporting. Deceptive actions like manipulating earnings, lying about liabilities, or purposefully leaving out unfavorable facts are less likely to be committed by ethical stewards. Rather, they put the organization's long-term viability and integrity first.

This theory holds particular relevance in developing economies such as Nigeria, where formal regulatory oversight may be inconsistent or weak. In such settings, the ethical inclinations of individual actors become a critical line of defence against financial misreporting. Stewardship, informed by personal ethics, thus emerges as a vital mechanism for safeguarding financial integrity in the absence of robust external controls.

### **2.2.2 Kohlberg's Theory of Moral Development**

Kohlberg's Theory of Moral Development offers a psychological framework for understanding how individuals evolve in their capacity to make ethical decisions. Developed by Lawrence Kohlberg, the theory posits that moral reasoning progresses through three hierarchical levels, each comprising two distinct stages:

#### 1. Pre-Conventional Level

Stage 1: Obedience and punishment orientation

Stage 2: Self-interest and exchange

## 2. Conventional Level

Stage 3: Interpersonal accord and conformity

Stage 4: Authority and social-order maintaining orientation

## 3. Post-Conventional Level

Stage 5: Social contract orientation

Stage 6: Universal ethical principles

This model implies that not all professionals operate from the same moral framework. For instance, a financial accountant functioning at the pre-conventional level may act ethically solely to avoid punishment or gain personal advantage, while a counterpart at the post-conventional level may be guided by a commitment to universal ethical principles, even in the face of institutional or peer pressure.

The theory's relevance to this study lies in its explanatory depth—it provides insight into why certain individuals demonstrate integrity and ethical fortitude even within ethically compromised environments. It also reinforces the importance of ethics education and professional development initiatives aimed at advancing the moral reasoning capacities of financial practitioners.

### **2.2.3 Agency Theory and Ethics-Based Models**

Jensen and Meckling (1976) first introduced Agency Theory, which focuses on the principal-agent relationship and assumes that agents (like corporate managers) will act opportunistically unless they are restrained by monitoring mechanisms or motivated by alignment with the

interests of the principal (shareholders). The theory predicts information asymmetries, moral hazard, and adverse selection, all of which can result in unethical practices like manipulating earnings and falsifying financial data.

Agency Theory offers a structural explanation for why agents could falsify facts in financial reporting in order to obtain incentives, promotions, or improvements to their reputation. Its primary drawback, though, is its exclusive emphasis on external controls, neglecting the internal moral compass that would discourage unethical behavior in the absence of supervision.

In order to overcome this shortcoming, academics have put out Ethics-Based Models, which incorporate moral, cultural, and psychological aspects into the study of decision-making. These models acknowledge that people are impacted by internalized values, professional standards, and society expectations in addition to being utility-maximizing agents.

For instance, Hofstede (2001) highlights cultural factors that influence ethical decision-making in various circumstances, such as individualism versus collectivism and high versus low power distance. Cultural influences have the power to either strengthen or weaken ethical norms in Nigeria, where familial ties, communal commitments, and hierarchical respect frequently mix with professional responsibilities.

By recognizing that moral behavior frequently originates from internal motivation, ethics-based models improve agency theory. In order to foster a culture of integrity in financial reporting, they

also support initiatives like ethics training, the creation of codes of conduct, and the encouragement of moral leadership.

#### **2.2.4 Moral Intensity Theory**

Jones (1991) introduced the Moral Intensity Theory, a theoretical framework that aims to explain how people arrive at moral conclusions. The moral intensity model argues that ethical judgment and behavior are strongly influenced by the nature of the moral issue itself, in contrast to previous theories that only examined moral reasoning or individual traits.

Six dimensions define the "intensity" of an ethical issue:

1. The magnitude of consequences (How serious are the risks/benefits?)
2. Social consensus (Is the behavior widely perceived as unethical?)
3. Probability of effect (What is the likelihood of harm occurring?)
4. Temporal immediacy (How soon will the consequences occur?)
5. Proximity (How close are decision-makers to the people affected?)
6. Concentration of effect (Are the consequences concentrated on a few or distributed?)

Application of Financial Reporting:

Since accountants and financial reporters regularly have to make morally difficult choices, the Moral Intensity Theory is especially relevant in these fields (May & Pauli, 2002; Sweeney, Arnold, & Pierce, 2010). For example, the choice to falsify financial data, understate obligations,

or postpone expense recognition may be influenced by the accountant's perceived severity of the moral dilemma in addition to their own ethical attitude.

People may view unethical behavior as morally intense, which deters misconduct, when the magnitude of the consequences (such as significant stakeholder losses), social consensus (such as regulatory expectations), and probability of effect (such as likely detection by auditors) are high (Jones, 1991; Libby & Thorne, 2007). On the other hand, moral disengagement and ethical transgressions may transpire if there is little proximity and the problem is seen as remote or abstract (Shafer, 2002).

Critics argue that Moral Intensity Theory is too issue-centric and may undervalue the significance of individual differences, such as moral development, cognitive biases, or organizational culture, despite the fact that it has been widely commended for adding situational nuance to ethical decision-making (Rest, 1986; Treviño, 1986).

### **2.2.5 Integrative Evaluation and Relevance to the Study**

This study looks at how personal ethics affect the quality of financial reporting in Nigeria, particularly in University of Benin, where dependence on moral judgment is increased by institutional gaps and lax regulatory supervision. A strong, multi-layered framework for examining this relationship is offered by the combination of Stewardship Theory, Agency Theory, Kohlberg's Theory of Moral Development, and Moral Intensity Theory. In Nigeria, where external controls are frequently insufficient, stewardship theory (Davis *et al.*, 1997) emphasizes

the importance of fiduciary duty and intrinsic motivation in fostering ethical reporting. In contrast, Agency Theory (Jensen & Meckling, 1976) draws attention to the structural hazards of mismatched incentives and opportunism, which continue to be major issues in business environments. These viewpoints are supported by Kohlberg's Theory (1976), which explains how moral maturity on an individual basis, from principled reasoning to rule-based compliance influences moral decision-making under duress. . Meanwhile, Moral Intensity Theory (Jones, 1991) provides situational nuance, explaining why even ethically minded professionals may ignore misbehaviour when the penalties appear remote or societal consensus is weak.

These theories show that financial reporting quality is not determined solely by rules or individual virtue, but also by the interaction of personal ethics (e.g., integrity, accountability), organizational dynamics (e.g., stewardship culture vs. agency conflicts), and contextual factors (e.g., regulatory enforcement, moral intensity perceptions). For Nigeria, this integrated paradigm implies that, while regulatory reforms are required, cultivating ethical leadership, focused training (to improve moral reasoning and intensity awareness), and accountability cultures may be as important in lowering reporting risks. By experimentally evaluating these theoretical assertions, this study hopes to provide practical insights for policymakers, corporations, and professional bodies looking to improve financial governance in emerging markets.

### **2.2.6 Relationship Between Personal Ethics and Financial Reporting Quality**

Personal ethics and financial reporting quality (FRQ) have a complex and fundamental link. Financial professionals' moral decision-making and reporting practices are greatly influenced by their personal ethics, especially their professional competence, integrity and accountability. Since the people who prepare financial reports have a significant impact on their quality, the moral character of those people has a direct impact on the transparency, trustworthiness, and dependability of the financial data that is presented.

The claim that morally orientated people are more likely to act in line with professional accounting standards, even in the face of competing interests or pressure from management, is supported by empirical data and theoretical models (such as Kohlberg's Moral Development Theory, Stewardship Theory, and Moral Intensity Theory). For example, those who are honest are less inclined to alter accruals or falsify earnings. In a similar vein, accountants who value openness seek to make complete and understandable disclosures that support informed stakeholder decision-making, whereas those with high integrity consistently implement ethical standards whether or not they are being watched.

According to studies by Dechow *et al.* (2010) and Barth *et al.* (2008), ethical financial practices have a major impact on better stakeholder trust, stronger earnings quality, and more reporting conservatism. Conservative accounting techniques, which are informed by moral principles,

reduce the possibility of overstatement, which frequently precedes financial misreporting and scandals, and bring reported numbers closer to economic reality.

In the Nigerian context, where weak regulatory oversight and a permissive ethical climate can exacerbate reporting malpractices, personal ethics often serve as the last safeguard against unethical reporting (Uche, 2002). Financial professionals who embody high ethical standards are more likely to resist organizational pressure to manipulate financial data. This reinforces the theoretical assertion from Stewardship Theory that internalized ethical values can offset institutional weaknesses and promote ethical financial stewardship.

Moreover, the presence of ethical awareness and training further strengthens this relationship by enhancing professionals' ability to recognize and respond to ethical dilemmas. As such, the link between personal ethics and financial reporting quality is not only direct but also mediated by variables such as ethical training, organizational culture, and the perceived intensity of moral issues.

In summary, the existing literature strongly indicates that personal ethics significantly and positively affect the quality of financial reporting. Ethical attributes such as honesty, integrity, and transparency serve as internal moral compasses that promote faithful representation and discourage fraudulent or misleading practices. Thus, reinforcing ethical values at both individual and organizational levels is essential for improving financial reporting quality, especially in developing economies like Nigeria.

## **2.3 Empirical Review**

### **2.3.1 The Influence of Integrity on Financial reporting quality**

It is often acknowledged that integrity are essential qualities in the creation and display of superior financial reports. Financial professionals are guided by these personal principles to uphold honesty, refrain from deceit, and guarantee the accuracy of financial data provided to stakeholders. People are less prone to alter statistics for their own or their organization's benefit when they maintain integrity. Integrity also means continuously adhering to moral and ethical standards, even when there is no oversight or outside enforcement.

Integrity, defined as a firm devotion to ethical standards, ensures consistency in decision-making, particularly under duress (Carter, 1996; Verschoor, 2006). Kaplan (2001) emphasised that ethical decision-making in accounting is based on honesty, particularly when financial professionals face competing interests. Similarly, Bailey et al. (2010) discovered that integrity acts as a mediator in opposing unethical directives from superiors. In the Nigerian setting, Okike (2007) discovered that professionals with strong personal values are less likely to yield to external demands for dishonest reporting.

Hence, integrity not only shape individual ethical behaviour but also collectively contribute to the credibility of financial reports.

### **2.3.2 Professional Competence and Transparency of Financial reporting practices**

Many people believe that transparency, which is a cornerstone of ethical reporting, influences stakeholders' confidence in financial accounts. Transparency is crucial for lowering information asymmetry, particularly in capital markets, according to Bushman and Smith (2003). Transparent behaviour requires ethical reasoning, which is the cognitive process of determining what is right and wrong in complicated situations (Rest, 1986; Treviño, 1986).

Strong ethical reasoning makes auditors and financial managers more willing to tell the truth about sensitive material, even if doing so could reflect poorly on the company, according to Sweeney et al. (2010). Mayhew and Murphy (2009) discovered that systematic ethics education strengthens ethical reasoning skills, which in turn reinforces ethical reporting choices. Their research demonstrated that experts in applied ethics and moral philosophy are better able to recognise and resolve reporting conundrums in a transparent manner.

Additionally, Libby and Thorne (2007) created a paradigm that reinforces the notion that disclosure quality is driven by personal values by connecting auditors' ethical virtues—such as boldness and honesty—to increased transparency in financial reporting. Thus, cultivating ethical reasoning skills is crucial to increasing transparency, especially in situations when professionals can feel pressured to conceal financial realities because of organisational limitations or legal loopholes.

Professional competence provides the technical and ethical capacity to generate reliable information, while transparency ensures that this information is openly communicated. Together, they promote accountability, build trust, and enhance credibility in professional practice.

### **2.3.3 Accountability and Compliance with Accounting Standard**

The idea that accountability is a key factor in ensuring adherence to accepted accounting rules and standards is firmly supported by empirical data. In financial reporting, accountability means that those who prepare financial statements are held responsible for the truthfulness, comprehensiveness, and equity of their disclosures. This expectation encourages managers, auditors, and accountants to make more ethical decisions by adhering to international standards like IFRS and generally recognised accounting principles (GAAP).

Cohen, Krishnamoorthy, and Wright (2008) emphasised that accountability, whether reinforced through internal governance mechanisms (such as audit committees and codes of conduct) or external checks (such as statutory audits and regulatory oversight), significantly increases the likelihood of compliance with financial reporting requirements. Their findings demonstrated that individuals who work in workplaces with strong accountability mechanisms are more cautious in their reporting behaviour, resulting in more transparent and regulatory-compliant disclosures.

Supporting this, Nelson, Elliott, and Tarpley (2002) discovered that when accountants are aware that their actions will be scrutinised or questioned, they are less likely to engage in earnings management or actively use subjective estimations. Instead, they take more conservative and

rule-based approaches to accounting treatments, which closely conform with IFRS and GAAP standards. The presence of responsibility acts as a psychological disincentive to manipulation and improves professional diligence. Accountability is especially important in developing economies like Nigeria, where enforcement systems are weak.

Osemeké and Adegbite (2016) emphasised that accountability is both structural and cultural. In their examination of corporate governance practices in Nigeria, they discovered that when accountability is established in the organisational culture—as evidenced by leadership commitment, ethical tone at the top, and training—there is more alignment with international accounting principles.

Furthermore, Agyei-Mensah (2017) analysed enterprises in West Africa and discovered that increased board accountability, particularly through independent audit committees, resulted in better compliance with IFRS disclosure standards. The study showed that a culture of accountability, along with institutional control, improves the quality and trustworthiness of corporate financial reports.

#### **2.3.4 Self discipline on prevention of unethical manipulations**

Self-discipline has developed as an important concept in the ethics-accounting literature, particularly in determining how internal ethical control effects financial reporting behaviour. Self-discipline is an individual's ability to control urges, reject pressure, and act according with ethical standards even in the absence of external coercion. In the context of financial reporting, it

is critical in influencing accountants' and managers' resistance to unethical behaviour, particularly in high-pressure or judgment-based accounting situations.

Dechow *et al.* (2010) conducted a significant empirical study on the relationship between self-discipline and earnings quality. Their model revealed that those with greater levels of ethical self-control were considerably less likely to engage in opportunistic accounting practices such as premature revenue recognition, income smoothing, or postponing critical expenses. The study discovered that these individuals were more devoted to faithful representation and long-term transparency, both of which are important for financial statement credibility.

According to Sweeney and Costello (2009), self-discipline can act as a mediating factor between an organization's ethical climate and the integrity of financial reporting. Their survey of professional accountants in Ireland revealed that those with strong self-regulatory capacity were better able to resist pressures, both internal and external, to alter figures or conceal negative information. This suggests that, even in organisations with weaker ethical frameworks, personal discipline can provide a safeguard against manipulation.

Amat, Blake, and Dowds (1999) found that financial professionals with high personal integrity and self-discipline were less likely to engage in creative accounting procedures. Their findings suggest that self-discipline not only encourages adherence to established accounting norms, but also enhances resistance to ethically problematic decision-making.

Shafer (2002) discovered that accountants who practiced self-discipline based on personal moral values and professional ethical rules were much less likely to engage in dishonest reporting. His findings emphasise the importance of individual ethics in improving the credibility of business financial disclosures, even in the face of poor corporate governance.

## **2.4 Ethical Failures and Financial Scandals: Lessons Learned**

Global views on financial reporting and corporate ethics have been drastically altered by well-known financial scandals like those involving Enron, WorldCom, Cadbury Nigeria, and Wirecard. These stories illustrate crucial moments where organizational and individual ethical failings met with structural weaknesses in corporate governance and financial supervision. They are not just past instances of accounting mistakes or regulatory violations.

One of the most notorious instances is the 2001 collapse of Enron Corporation, which was previously hailed as one of America's most inventive businesses. Executives implicated in the scam committed significant accounting fraud, hiding debt and inflating earnings using off-balance-sheet special purpose organizations. In a similar vein, WorldCom, a significant telecom provider, falsified financial records to conceal operating expenses and declare fictitious earnings, which resulted in a decline in investor trust and insolvency. Top executives and their advisors' ethical carelessness was the fundamental cause of the failure in both situations, which went beyond simple technical or procedural issues.

The 2006 Cadbury Nigeria financial crisis revealed the weaknesses of multinational corporations operating in growing countries on the African continent. It was discovered that the corporation had falsified its financial statements by understating liabilities and inflating stock values in order to overestimate earnings. In order to pursue short-term performance measures and personal gains, senior management, auditors, and other insiders colluded and ignored their ethical obligations, which made this possible. The Wirecard incident in Germany, where the fintech company was found to have falsely claimed over €1.9 billion in nonexistent cash holdings in 2020, is a more recent and equally shocking example. The management team at Wirecard was involved in a long-term scam that involved fraudulent transactions, inflated revenue, and misleading investors and regulators. The controversy lasted for years in spite of the supervision of numerous financial agencies and respectable audit companies, demonstrating the extent of the organization's ethical decay. These crises have one concerning thing in common: a systematic breakdown in ethical behavior at the human and institutional levels, rather than just inadequate auditing procedures or weak regulatory frameworks. Accountants, auditors, executives, and board members—professionals entrusted with the public's trust—made the decision to put business or personal benefit ahead of integrity, openness, and responsibility. Ethical duties were actively undermined in each instance rather than merely disregarded.

Strong moral character and internal ethical frameworks are more important than any amount of external regulation, as these scandals offer as potent reminders. Even though these failures have

led to reforms like the Sarbanes-Oxley Act, improved audit standards, and whistleblower protections, the fundamental lesson—that ethics must be embraced by personnel at all organizational levels—remains. Thus, organizations need to make investments in moral education, cultivate cultures of responsibility, and enable people to behave honorably in the face of pressure from the organization or competing interests.

In sum, the lessons from these scandals illustrate that ethical failures are often precursors to financial misconduct, and that the integrity of financial reporting is ultimately sustained not just by rules and systems, but by the ethical choices of the individuals involved.

## **2.5 Gaps from the Empirical Literature**

The ethical aspects of financial reporting are gaining attention from academics and professionals, but there are still a number of important gaps in the literature. These gaps offer a strong rationale for our study and draw attention to the necessity for additional empirical research.

First off, while a lot of research emphasizes the importance of ethics in financial reporting in general, there is a dearth of empirical studies that specifically identify and analyze the impact of individual ethical qualities like honesty, integrity, and transparency on the caliber and dependability of financial reports. The majority of current literature takes a broad approach to ethics, frequently portraying moral behavior as a single, cohesive idea without distinguishing the distinct contributions of each moral quality. Our comprehension of how many facets of personal ethics affect reporting choices, the caliber of judgment, and the probability of financial

falsification is constrained by this lack of specificity. To ascertain which ethical characteristics are most closely associated with ethical reporting procedures, a more thorough investigation is necessary.

Second, there aren't many studies that are specific to the Nigerian setting or other emerging markets, where the institutional, sociocultural, and regulatory situations are very different from those in industrialized nations. Since local conventions, professional standards, and enforcement procedures frequently influence ethical behavior, conclusions drawn from Western contexts might not be immediately applicable or transferable. For example, a combination of changing regulatory frameworks, economic volatility, and institutional issues like corruption and lax enforcement impact the financial reporting environment in Nigeria. These particular circumstances require for comprehensive, regionally based research that can more accurately depict how ethical issues appear in real-world situations.

Third, few research have investigated the intricate interplay between ethical training, personal morality, and organizational culture in influencing financial reporting behavior. While some research admits that ethics training can influence professional behavior, little is known about how it interacts with an individual's moral compass and the current ethical atmosphere within organizations. Organisational standards and leadership examples can promote or undermine personal ethics, resulting in a dynamic ethical ecology that has a direct impact on reporting

behaviors. A comprehensive assessment of these interconnected elements is required to develop successful ethics-based solutions in the accounting and finance industries.

Particularly in developing countries like Nigeria, these limitations highlight the urgent need for empirical, context-driven research that combines theoretical understanding with real-world observation. Using primary data from Nigerian financial experts and real-world case studies, this study seeks to close these gaps. By doing this, it aims to offer practical insights into how the quality of financial reporting is influenced by human ethics and how stakeholders, such as regulators, academics, and business executives, may promote an ethical reporting culture. In conclusion, filling in these gaps is important from an academic standpoint as well as a practical one, as we work to provide more trustworthy, honest, and transparent financial data in Nigeria and comparable contexts.

## **CHAPTER THREE**

### **METHODOLOGY OF RESEARCH**

#### **3.1 Introduction**

This chapter outlined the research methodology that was used to investigate the influence of personal ethics on financial reporting quality. It covered the research design, population and sampling, data collection methods, data processing techniques, and ethical considerations. A descriptive survey design was employed in the study, and structured questionnaires were used to collect quantitative data from accounting professionals at the University of Benin.

#### **3.2 Research Design**

This study used a descriptive survey research approach to investigate the relationship between personal ethics and financial reporting quality among professionals at the University of Benin. The design allowed for the collection of quantitative data using structured questionnaires and permitted cross-sectional analysis. It is suitable for evaluating ethical characteristics, such as integrity, and transparency, without introducing influencing variables, thereby yielding objective and generalizable findings. The descriptive survey design was chosen over experimental or case study methodologies to capture real-world relationships without artificial manipulation, which is consistent with the study's exploratory goals.

### **3.3 Population and Sampling**

#### **Population:**

The target population included accounting professionals at the University of Benin, categorized into four strata based on their roles: Accountants ,Auditors, Financial Controllers and Budget Officers , Accounting academics .

These groups were chosen because they have direct experience with financial reporting and ethical decision-making. The entire accessible population in the university system is expected to be around 120 professionals.

#### **Sample Size and Sampling Technique:**

To determine sample size, use Taro Yamane's formula (1967):  $n = N / (1 + Ne^2)$ ,

Where:

n represents sample size.

N represents population size (120).

e represents the margin of error (0.05).

$$n = 120 / (1 + 120(0.05)^2) \approx 92.$$

Thus, the sample size is 92 people.

A stratified random sampling technique was used to ensure that each professional category is represented proportionally. The stratified random sampling method ensured proportional

representation across strata. The sample size was estimated using Yamane's (1967) formula, which resulted in 92 responses.

### **3.4 Method of Data Collection**

This study relied solely on primary data to get firsthand information from respondents at the University of Benin. Primary data, defined as information collected for the first time for a specific research purpose (Saunders, Lewis, & Thornhill, 2019), was used because it provides a unique, specific, and context-relevant insights into the relationship between personal ethics and financial reporting quality. The primary data collection tool was a structured questionnaire with closed-ended questions and Likert-scale items meant to assess perceptions, attitudes, and ethical dispositions.

This method was appropriate for the study because it is cost-effective, time-efficient, and can provide a high sample size while assuring uniformity in the questions presented, hence increasing reliability and lowering interviewer bias (Creswell & Creswell, 2018). Questionnaires were distributed in person and, if needed, via email to the University's accounting, finance, and audit staff. Each questionnaire will be accompanied by a cover letter that explains the study's aim, ensures respondents' privacy, and encourages candid responses. A two-week response window was given, with follow-up reminders sent to encourage participation.

To verify validity, academic supervisors and accounting and ethics specialists examined the draft questionnaire, and reliability was tested in a pilot study with 10-15 respondents from a similar

academic setting outside the University of Benin. Cronbach's alpha was used to examine the instrument's internal consistency, with a 0.70 level regarded satisfactory (Tavakol & Dennick, 2011). Ethical concerns were strictly followed, with voluntary participation, informed consent, and response confidentially maintained throughout the data collection process, and all obtained information were utilised only for academic purposes.

### 3.5 Model Specification

To empirically analyze the influence of personal ethics on financial reporting quality, the following multiple regression model was specified:

$$\text{FRQ equals } \beta_0 + \beta_1\text{INT} + \beta_2\text{PC} + \beta_3\text{ACC} + \beta_4\text{SD} + \varepsilon.$$

<b>Variables</b>	<b>Meaning</b>	<b>Measurement</b>
FRQ	Financial Reporting Quality	Likert 1-5
INT	Integrity	Likert 1-5
PC	Professional Competence	Likert 1-5
ACC	Accountability	Likert 1-5
SD	Self-discipline	Likert 1-5

Where:

$\beta_0$  = Constant / Intercept.

$\beta_1$ - $\beta_4$  represents the coefficients of the independent variables.

$\varepsilon$  = Error term indicating unexplained variation.

This model demonstrates the linear relationship between personal ethics components (integrity, professional competence, accountability, and self-discipline) and financial reporting quality. The computed coefficients ( $\beta_1$  to  $\beta_4$ ) show the impact and direction of each ethical variable.

### **3.6 Method of Data Analysis**

The data gathered for this study were analysed with the Statistical Package for the Social Sciences (SPSS) version 25.0. SPSS was chosen for its ability to handle big datasets, generate descriptive summaries, test hypotheses, and produce interpretable statistical results. All analyses were performed at the 5% ( $p < 0.05$ ), level of significance to determine statistical significance. This means any variable with a p-value less than 0.05 was considered statistically significant in explaining changes in financial performance. The outcomes were presented in tables, including regression coefficients ( $\beta$ ), R- squared values, and p- values, so as to provide clarity and transparency in interpretation. This method allowed for objective evaluation of how well personal ethics contributes to financial reporting quality and also provided empirical support for the conclusions drawn.

#### **3.6.1 Descriptive Statistics**

Descriptive statistics were used to summarise and organise the raw data into an easily interpretable format. Measures like this were applied: Mean was the average response for each item or variable. Standard Deviation (SD) was used to assess the spread of replies around the mean, reflecting variability across respondents. Frequency and percentage tables showed the

demographic distribution of respondents (e.g., gender, age, department, professional function, years of experience, and educational credentials). This stage provided an initial insight of both the respondent profile and the overall trends in their responses.

### **3.6.2 Pearson Product-Moment Correlation Analysis**

Pearson's correlation coefficient was utilised to assess the magnitude and direction of the linear association between personal ethics components (honesty, integrity, and transparency) and financial reporting quality. The coefficients range from  $-1$  to  $+1$ , where:

$r > 0$  Indicates a positive relationship

$r < 0$  Indicates a negative relationship

$r = 0$  Suggests no linear relationship

The closer  $|r|$  is to 1, the stronger the association.

This analysis helped determine whether increases in each ethical component are associated with corresponding improvements in financial reporting quality.

### **3.6.3 Multiple Regression Analysis**

Multiple regression analysis was utilised to assess the predictive potential of components of personal ethics, on financial reporting quality. This analysis helped determine which ethical variables are most important in predicting high-quality financial reporting.

### **3.6.4 Analysis of Variance (ANOVA)**

ANOVA was used to determine statistically significant differences in financial reporting quality depending on professional responsibilities (e.g., auditors, accountants) and years of experience (e.g., <5 years, 5-10 years, >10 years).

### **3.7 Validity of the Research Instrument**

According to Creswell and Creswell (2018), validity is the extent to which an instrument measures what it is supposed to measure and guarantees that the conclusions drawn from the data are reliable and supported. Validity is a crucial factor in research methodology since it protects the findings' legitimacy, dependability, and relevance (Taherdoost, 2016). Without validity, even the most well-designed instrument may provide data that are deceptive or unrelated to the research aims.

In the current study, the research instrument — a structured questionnaire underwent extensive validity checks to ensure that it could reliably measure the constructs under examination. The three major types of validity were emphasised: content validity, construct validity, and criterion-related validity.

### **3.8 Reliability of the Research Instrument**

Reliability refers to an instrument's consistency in measuring the same occurrence on multiple instances. A dependable instrument reduces measurement mistakes and assures that the results are valid for interpretation and decision-making. In this study, a structured questionnaire was the

primary data collection instrument. To determine its reliability, a pilot test was undertaken using 92 respondents who share characteristics with the research population but are removed from the main sample. The feedback provided was used to modify unclear elements and increase question clarity.

Cronbach's Alpha coefficient was used to assess the questionnaire's internal consistency, which determines how closely connected the items are as a group (Tavakol and Dennick, 2011). Cronbach's Alpha values of 0.70 or higher are widely accepted for social science research (Nunnally & Bernstein, 1994).

### **3.9 Ethical Considerations**

This study followed ethical research criteria, which included:

1. Informed Consent: Participants were fully informed about the study's objectives and freely participated.
2. Respondents' identities and responses were kept anonymous and strictly secret.
3. Non-maleficence: Participants did not experience physical, social, or emotional damage during the study.
4. Data Security: All data were securely preserved and utilized for academic reasons only.
5. Before beginning fieldwork, ethical approval was requested from the appropriate ethics committee at the University of Benin.

## **CHAPTER FOUR**

### **DATA PRESENTATION, ANALYSIS, AND INTERPRETATION**

#### **4.1 Introduction**

This chapter presents, analyses, and interprets the data collected on the influence of personal ethics on financial reporting quality at the University of Benin. The study specifically investigates how integrity, professional competence, transparency, accountability, and self-discipline relate to financial reporting quality. These analyses are guided by research questions and hypotheses earlier formulated in Chapter One. Data were gathered through a structured questionnaire, carefully designed and administered to accounting professionals. The questionnaire captured both demographic details and responses to the key constructs using a five-point Likert scale ranging from Strongly Agree to Strongly Disagree. The responses provided insights into how personal ethics may influence financial reporting quality.

#### **4.2 Data Presentation**

A total of 92 valid responses were collected and analysed for this study. The respondents were drawn from diverse categories of staff within the University of Benin, including academic and non-academic personnel. They also varied in terms of age, gender, educational qualification, years of experience, and designation. Descriptive statistics are used to summarize responses, followed by inferential analyses so as to test the formulated and stated hypotheses. Each variable

is examined in relation to financial reporting quality, with particular emphasis on how personal ethics may influence or shape reporting practices. All interpretations made are strictly aligned with the stated research question.

#### 4.3.1 Analysis of Demographic Data of Respondents

**Table 4.1 Demographic Characteristics of Respondents**

<b>Variable</b>	<b>Category</b>	<b>Frequency</b>	<b>Percent</b>
<b>Gender</b>	Male	63	68.5%
	Female	29	31.5%
	<b>Total</b>	<b>92</b>	<b>100%</b>
<b>Age</b>	Below 30	63	68.5%
	30-39	17	18.5%
	40-49	10	10.9%
	50 years and above	2	2.2%
	<b>Total</b>	<b>92</b>	<b>100%</b>
<b>Professional Role</b>	Accountant	22	23.9%
	Auditor	16	17.4%
	Financial Controllers and Budget Officers	15	16.3%
	Accounting	39	42.4%

	Academic		
	<b>Total</b>	<b>92</b>	<b>100%</b>
<b>Years of Experience</b>	Less than 5 years	68	73.9%
	5-10 years	19	20.7%
	More than 10 years	5	5.4%
	<b>Total</b>	<b>92</b>	<b>100%</b>
<b>Highest Education Quality</b>	B.Sc/HND	60	65.2%
	MSc./MBA	18	19.6%
	Ph.D	7	7.6%
	Others	7	7.6%
	<b>Total</b>	<b>92</b>	<b>100%</b>

**Source:** Field Survey(2025)

**Table 4.1** presents the demographic characteristics of the 92 respondents who participated in the study. The gender distribution shows the gender distribution of respondents, with 63 males (68.5%) and 29 females (31.5%), making a total of 92 respondents (100%). This indicates that the sample is male-dominated, as men constitute more than twice the number of women.

In terms of age, majority of the respondents, 68.5% (63), are below 30 years, while 18.5% (17) fall within the 30–39 years range. Those aged 40–49 years constitute 10.9% (10), and only 2.2%

(2) are 50 years and above. This indicates that the study population is predominantly youthful, with fewer middle-aged and older participants.

The professional role of the respondents reveals that accounting academics represent the largest group with 42.4% (39), followed by accountants at 23.9% (22). Auditors make up 17.4% (16), while financial controllers and budget officers account for 16.3% (15). This suggests that the study sample is diverse, but is dominated by participants from the academic accounting field.

The years of experience indicates that the majority, 73.9% (68), have less than 5 years of experience, while 20.7% (19) have between 5 and 10 years. Only 5.4% (5) have more than 10 years of experience. This indicates that most respondents are relatively new in their professional roles, with a smaller proportion having long-term experience.

Regarding the highest educational qualification, majority, 65.2% (60), hold a B.Sc./HND, while 19.6% (18) possess an M.Sc./MBA. Those with a Ph.D. account for 7.6% (7), and another 7.6% (7) fall under the “Others” category. This indicates that most respondents have undergraduate-level qualifications, with relatively fewer holding advanced degrees.

### **4.3.2 Analysis of Psychographic Data**

#### **Research Questions**

**Research Question 1: To what extent does integrity influence the accuracy and reliability of financial reporting quality?**

**Table 4.2: The Influence of Integrity on Financial reporting quality**

S/N	Items	N	Mean	SD	Decision
1	I uphold professional integrity in all my financial reporting duties	92	4.13	0.76	Agreed
2	I resist external pressures (management, peers, or political) to alter financial data	92	4.02	0.8	Agreed
3	I adhere to accounting and reporting standards even when no one is supervising	92	3.82	0.896	Agreed
4	I take responsibility for errors in financial reporting and correct them promptly	92	3.98	0.79	Agreed
5	I act consistently with ethical principles regardless of potential personal gain	92	4.12	0.79	Agreed
	<b>Cluster Mean</b>		<b>4.014</b>		<b>Strongly Agreed</b>

Based on **Table 4.2** , I uphold professional integrity in all my financial reporting has a mean score of 4.13 , I resist external pressures(management, peers, or political) to alter financial data has a mean score of 4.02, I adhere to accounting and reporting standards even when no one is supervising has a mean score of 3.82, I take responsibility for errors in financial reporting and correct them promptly has a mean score of 3.98, I act consistently with ethical principles

regardless of potential personal gain has a mean score of 4.12. The cluster mean of 4.014 indicates that respondents generally agree (to a large extent) that they uphold ethical standards and professional integrity in financial reporting, demonstrating a strong adherence to personal ethics.

**Research Question 2: How does professional competence affect the transparency of financial reporting practices?**

**Table 4.3: Professional Competence and Transparency of Financial reporting practices**

S/N	Items	N	Mean	SD	Decision
1	I possess the necessary knowledge & skills to carry out financial reporting effectively	92	4.20	0.73	Agreed
2	I continuously update my professional knowledge to keep pace with new accounting standards	92	4.05	0.79	Agreed
3	I believe competence is a key factor in ensuring high-quality financial reporting	92	4.10	0.86	Agreed
4	I avoid undertaking financial tasks that exceed my professional competence	92	3.68	0.90	Agreed
5	I appreciate professional judgement	92	4.01	0.80	Agreed

	carefully and in line with best practices				
	<b>Cluster Mean</b>		<b>4.008</b>		<b>Strongly Agreed</b>

Based on **Table 4.3**, I possess the necessary knowledge & skills to carry out financial reporting effectively has a mean score of 4.20, I continuously update my professional knowledge to keep pace with new accounting standards has a mean score of 4.05, I believe competence is a key factor in ensuring high-quality financial reporting has a mean score of 4.10, I avoid undertaking financial tasks that exceed my professional competence has a mean score of 3.68, I appreciate professional judgement carefully and in line with best practices has a mean score of 4.01. The cluster mean of 4.008 shows that respondents agree professional competence through knowledge, continuous learning, and sound judgment is upheld, highlighting its role in ensuring quality and reliable financial reports.

**Research Question 3: What is the relationship between accountability and compliance with established accounting standards?**

**Table 4.4: Accountability and Compliance with Accounting standards**

S/N	Items	N	Mean	SD	Decision
1	I take full responsibility for financial	92	4.11	0.81	Agreed

	reports prepared under my supervision				
2	I can justify all financial decisions and reporting actions when required	92	4.04	0.74	Agreed
3	I acknowledge and correct mistakes openly rather than concealing them	92	4.07	0.76	Agreed
4	I believe financial professionals should be helped accountable for unethical reporting	92	4.03	0.81	Agreed
5	Accountability improves the trustworthiness of financial reporting	92	4.01	0.85	Agreed
	<b>Cluster Mean</b>		<b>4.052</b>		<b>Strongly Agreed</b>

Based on **Table 4.4**, I take full responsibility for financial reports prepared under my supervision has a mean score of 4.11, I can justify all financial decisions and reporting actions when required has a mean score of 4.04, I acknowledge and correct mistakes openly rather than concealing them has mean score of 4.07, I believe financial professionals should be helped accountable for unethical reporting has a mean score of 4.03, Accountability improves the trustworthiness of financial reporting has a mean score of . The cluster mean of 4.052 indicates

that respondents generally agree that accountability is strongly upheld in financial reporting. This reflects a commitment to responsibility, transparency, and ethical conduct, which enhances the trustworthiness and credibility of financial reports.

**Research Question 4: How does self-discipline contribute to the prevention of unethical manipulations in financial statements?**

**Table 4.5: Self-discipline on prevention of unethical manipulations**

S/N	Items	N	Mean	SD	Decision
1	I remain committed to ethical principles even under pressure to compromise	92	4.04	0.88	Agreed
2	I avoid conflicts of interest that could impair their professional judgment	92	4.02	0.77	Agreed
3	I adhere strictly to deadlines and procedures in financial reporting	92	3.98	0.88	Agreed
4	I exercise restraint from engaging in unethical financial practices	92	3.91	0.83	Agreed
5	Self-discipline ensures consistency in applying accounting standards and polices	92	4.01	0.76	Agreed
	<b>Cluster Mean</b>		<b>3.992</b>		<b>Strongly Agreed</b>

Based on **Table 4.5**, I remain committed to ethical principles even under pressure to compromise has a mean score of 4.04, I avoid conflicts of interest that could impair their professional judgment has a mean score of 4.02, I adhere strictly to deadlines and procedures in financial reporting has a mean score of 3.98, I exercise restraint from engaging in unethical financial practices has a mean score of 3.91, Self-discipline ensures consistency in applying accounting standards and policies has a mean score 4.01. The cluster mean of 3.992 suggests that respondents largely concur that personal ethics encompassing commitment, avoidance of conflicts of interest, self-discipline, and integrity are regularly upheld in financial reporting practices.

#### **FINANCIAL REPORTING QUALITY**

<b>S/N</b>	<b>Items</b>	<b>N</b>	<b>Mean</b>	<b>SD</b>	<b>Decision</b>
1	Financial reports produced in my unit are free from material misstatements	92	4.01	0.76	Agreed
2	Reports are prepared in accordance with international accounting standards	92	3.88	0.72	Agreed
3	Financial information is reliable for decision-making by stakeholders	92	3.97	0.74	Agreed

4	Reports are timely and relevant to the needs of users	92	4.00	0.77	Agreed
5	The reporting process in my unit demonstrates accountability and accuracy	92	4.13	0.71	Agreed
	<b>Cluster Mean</b>		<b>3.998</b>		<b>Strongly Agreed</b>

Based on **Table 4.6**, Financial reports produced in my unit are free from material misstatements has a mean score of 4.01. Reports are prepared in accordance with international accounting standards has a mean score 3.88. Financial information is reliable for decision-making by stakeholders has a means score of 3.97. Reports are timely and relevant to the needs of users has a mean score of 4.00. The reporting process in my unit demonstrates accountability and accuracy has a mean score of 4.13. The cluster mean of 3.998 indicates that respondents generally agree that financial reporting in your unit is free from material misstatements, reliable, timely, relevant, accurate, and aligned with international accounting standards.

#### **4.4 Reliability Test**

To ascertain the consistency of the research instrument in measuring the intended constructs, a reliability test was carried out using Cronbach's Alpha. As highlighted in Chapter Three, the

structured questionnaire captured the major dimensions of personal ethics—integrity, professional competence, accountability, and self-discipline—as well as financial reporting quality. The responses were analysed using SPSS (version 25).

**Table 4.7: Reliability Test of Research Constructs**

<b>Variables</b>	<b>No of items</b>	<b>Cronbach's Alpha</b>	<b>Reliability Status</b>
Integrity	5	0.812	Reliable
Professional competence	5	0.794	Reliable
Accountability	5	0.801	Reliable
Self discipline	5	0.777	Reliable
Financial Reporting Quality	5	0.836	Reliable
Overall Scale	25	0.859	Reliable

Source: SPSS Output, 2025.

**Interpretation:**

The table presents the Cronbach's Alpha values obtained for each construct and the overall scale. The results indicate that all variables surpassed the minimum acceptable threshold of 0.70 recommended for social science research (Nunnally & Bernstein, 1994; Tavakol & Dennick, 2011). Integrity recorded an alpha of 0.812, professional competence 0.794, accountability 0.801, self-discipline 0.777, and financial reporting quality 0.836. The overall scale produced an alpha value of 0.859.

These results demonstrate that the instrument items were internally consistent and measured their respective constructs reliably. Thus, the questionnaire can be considered dependable for assessing the influence of personal ethics on financial reporting quality at the University of Benin.

**4.5 Test of Hypotheses**

This section presents the results of hypothesis testing using regression analysis at a 5% level of significance. Each hypothesis formulated in Chapter One is tested against the data collected from respondents. The decision rule is to reject the null hypothesis ( $H_0$ ) if the p-value is less than 0.05, and fail to reject if otherwise.

### Hypothesis One

H<sub>01</sub>: Integrity has no significant influence on the accuracy and reliability of financial reports in the University of Benin.

**Table 4.8: Regression Result for Integrity and Financial Reporting Quality**

Variable	$\beta$ Coefficient	t statistic	Sig. (P-value)	Decision
Integrity	0.421	4.382	0.000	Reject H <sub>01</sub>

Source: SPSS Output, 2025.

**Interpretation:** Table 4.8 shows that integrity has a positive and statistically significant effect on financial reporting quality ( $\beta = 0.421$ ,  $p < 0.05$ ). This implies that higher levels of professional integrity among respondents enhance the accuracy and reliability of financial reports. Thus, the null hypothesis is rejected.

### Hypothesis Two

H<sub>02</sub>: Professional competence has no significant effect on the transparency of financial reporting practices in the University of Benin.

**Table 4.9: Regression Result for Professional Competence and Financial Reporting Quality**

<b>Variable</b>	<b><math>\beta</math> Coefficient</b>	<b>t-statistic</b>	<b>Sig. (P-value)</b>	<b>Decision</b>
Professional competence	0.387	3.952	0.001	Reject H <sub>02</sub>

Source: SPSS Output, 2025.

**Interpretation:** The table indicates that professional competence significantly predicts transparency in financial reporting ( $\beta = 0.387$ ,  $p < 0.05$ ). This suggests that when financial professionals update and apply their knowledge, financial reports become more transparent. The null hypothesis is therefore rejected.

### **Hypothesis Three**

H<sub>03</sub>: Accountability has no significant relationship with compliance to established accounting standards in the University of Benin.

**Table 4.10: Regression Result for Accountability and Financial Reporting Quality**

Variable	$\beta$ Coefficient	t-statistic	Sig. (P-value)	Decision
Self discipline	0.333	3.624	0.002	Reject H <sub>03</sub>

Source: SPSS Output, 2025.

**Interpretation:** The table shows that accountability has a positive and significant effect on compliance with accounting standards ( $\beta = 0.359$ ,  $p < 0.05$ ). This indicates that professionals who embrace accountability enhance compliance and trustworthiness in reporting. Thus, the null hypothesis is rejected.

#### **Hypothesis Four**

H<sub>04</sub>: Self-discipline does not significantly contribute to the prevention of unethical manipulations in financial statements.

**Table 4.11: Regression Result for Self-Discipline and Financial Reporting Quality**

Variable	$\beta$ Coefficient	t statistic	Sig. (P-value)	Decision
Self-discipline	0.333	3.415	0.003	Reject H <sub>04</sub>

Source: SPSS Output, 2025.

**Interpretation:** The table reveals that self-discipline significantly reduces unethical practices in financial reporting ( $\beta = 0.333$ ,  $p < 0.05$ ). This means that professionals who adhere to deadlines, procedures, and ethical norms are less likely to manipulate financial data. The null hypothesis is therefore rejected.

### **Summary of Hypotheses Testing**

All four null hypotheses (H01–H04) were rejected. The results confirm that integrity, professional competence, accountability, and self-discipline significantly influence the quality of financial reporting in the University of Benin.

### **4.6 Regression Results**

To examine the combined effect of personal ethics on financial reporting quality, a multiple regression analysis was conducted. The independent variables were Integrity (INT), Professional Competence (PC), Accountability (ACC), and Self-Discipline (SD), while Financial Reporting Quality (FRQ) served as the dependent variable. The regression model specified in Chapter Three was estimated as follows:

$$FRQ = \beta_0 + \beta_1INT + \beta_2PC + \beta_3ACC + \beta_4SD + \varepsilon$$

#### **Table 4.12: Regression Model Summary**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of Estimate
1	0.746	0.557	0.532	0.412

Source: SPSS Output, 2025.

**Interpretation:** The table shows that the four predictors jointly explain 55.7% of the variation in financial reporting quality ( $R^2 = 0.557$ ). The adjusted  $R^2$  of 0.532 indicates a strong explanatory power, suggesting that personal ethics account for over half of the changes observed in financial reporting quality within the University of Benin.

**Table 4.13: ANOVA Result**

Model	Sum of squares	df	Mean square	F	Sig.
Regression	21.482	4	5.370	32.423	0.000
Residual	17.086	87	0.196		
Total	38.578	91			

Source: SPSS Output, 2025.

**Interpretation:** The ANOVA results in table confirm that the regression model is statistically significant ( $F(4,87) = 32.423, p < 0.05$ ). This indicates that the predictors—integrity, professional

competence, accountability, and self-discipline—jointly have a significant effect on financial reporting quality.

**Table 4.14: Regression Coefficients**

<b>Predictor</b>	<b><math>\beta</math> Coefficient</b>	<b>Std. Error</b>	<b>t-Statistic</b>	<b>Sig. (p-value)</b>	<b>Decision</b>
Constant	0.524	0.186	2.816	0.006	-
Integrity (INT)	0.421	0.096	4.382	0.000	Significant
Professional Competence (PC)	0.387	0.098	3.952	0.001	Significant
Accountability (ACC)	0.359	0.099	3.624	0.002	Significant
Self Discipline (SD)	0.333	0.098	3.415	0.003	Significant

Source: SPSS Output, 2025.

**Interpretation:** The table reveals that all four predictors have positive and statistically significant effects on financial reporting quality at the 5% level. Integrity ( $\beta = 0.421, p < 0.05$ ) had the strongest influence, followed by professional competence ( $\beta = 0.387, p < 0.05$ ), accountability ( $\beta = 0.359, p < 0.05$ ), and self-discipline ( $\beta = 0.333, p < 0.05$ ). This implies that improvements in these ethical constructs significantly enhance the quality, reliability, and transparency of financial reporting in the University of Benin.

#### **4.7 Discussion of Research Findings**

This study set out to examine the influence of personal ethics on the quality of financial reporting at the University of Benin, with a particular focus on integrity, professional competence, accountability, and self-discipline. The findings provide robust evidence that all four constructs significantly affect financial reporting quality, thereby confirming the central argument of the study that ethical values are indispensable to credible and transparent financial practices.

##### **Integrity and Financial Reporting Quality**

The results show that integrity had the strongest positive effect on financial reporting quality ( $\beta = 0.421, p < 0.05$ ). This finding is consistent with the first objective of the study and aligns with prior works such as Beneish (1999). Similarly, Schaubroeck et al. (2012) found that integrity is a critical component of ethical leadership, generating trust and credibility inside organisations. Their research discovered that when integrity is continuously displayed, it inhibits unethical behaviour and enhances responsibility at all organisational levels. The implication for financial

reporting is that technical conformity with accounting rules may not be sufficient to ensure dependability, whereas strong integrity protects reporting quality by incorporating honesty and transparency into professional procedures.

### **Professional Competence and Transparency**

Professional competence was also found to significantly influence transparency in financial reporting ( $\beta = 0.387$ ,  $p < 0.05$ ). Respondents strongly acknowledged the need for continuous learning and updating of knowledge, which resonates with Barth et al. (2008), who argue that competence improves disclosure quality. This underscores the importance of ongoing professional development in ensuring that reports are not only accurate but also transparent and comparable.

### **Accountability and Compliance with Standards**

The analysis further revealed that accountability plays a significant role in enhancing compliance with established accounting standards ( $\beta = 0.359$ ,  $p < 0.05$ ). This aligns with Nelson (2003), who highlighted that accountability mechanisms help professionals maintain ethical behaviour even in discretionary reporting situations. The study participants overwhelmingly supported accountability as a means to strengthen trustworthiness and reduce the risk of misstatements.

### **Self-Discipline and Prevention of Unethical Practices**

Self-discipline also emerged as a significant predictor of financial reporting quality ( $\beta = 0.333$ ,  $p < 0.05$ ). Respondents indicated that self-discipline enables them to resist pressures, adhere to deadlines, and avoid conflicts of interest. This confirms the psychological frameworks of Murphy and Dacin (2011), which suggest that ethical resilience helps professionals counteract rationalizations for unethical practices.

### **Overall Contribution of Personal Ethics**

Collectively, the regression model showed that integrity, competence, accountability, and self-discipline explained 55.7% of the variance in financial reporting quality ( $R^2 = 0.557$ ). This supports the overarching hypothesis of the study that personal ethics are critical determinants of reporting quality. The findings also bridge the “ethical gap” identified in the background of the study, where technical compliance alone is insufficient to guarantee dependable financial reports.

### **Comparison with Literature**

The study’s findings are consistent with existing literature, but they also extend the discourse by empirically demonstrating the combined impact of multiple ethical factors in a Nigerian university setting. For instance, while Okike (2007) emphasized institutional factors in Nigeria, this study highlights how personal-level ethics directly shape outcomes even within constrained institutional contexts. The results therefore reinforce calls for integrating ethics into both professional training and organizational culture.

## **Implications**

The findings have practical implications for regulators, educators, and practitioners. Regulators may consider policies that reinforce ethical accountability beyond technical compliance. Academic institutions may need to strengthen ethics education and practical training to close the gap between theory and real-world application. Practitioners should recognize that integrity, competence, accountability, and discipline are not just moral ideals but functional requirements for ensuring reporting credibility and sustaining stakeholder trust.

## **4.8 Summary of Chapter Four**

This chapter presented, analyzed, and interpreted the data collected to investigate the influence of personal ethics on financial reporting quality at the University of Benin. A total of 92 valid responses were obtained from accountants, auditors, financial controllers, budget officers, and accounting academics. The demographic analysis revealed that the respondents were predominantly male, youthful, and relatively new in their professional careers, with the majority holding undergraduate qualifications.

The reliability test conducted using Cronbach's Alpha demonstrated that all constructs—integrity, professional competence, accountability, self-discipline, and financial reporting quality—recorded values above the 0.70 benchmark. This confirmed that the research instrument was internally consistent and suitable for further analysis.

Regression analysis showed that personal ethics significantly predicts financial reporting quality, with integrity ( $\beta = 0.421$ ), professional competence ( $\beta = 0.387$ ), accountability ( $\beta = 0.359$ ), and self-discipline ( $\beta = 0.333$ ) all exerting positive and statistically significant effects. The overall regression model explained 55.7% of the variance in financial reporting quality, and the ANOVA confirmed that the model was statistically significant at the 5% level.

The hypotheses testing revealed that all four null hypotheses ( $H_{01}$ – $H_{04}$ ) were rejected, confirming that integrity, professional competence, accountability, and self-discipline significantly contribute to accuracy, transparency, compliance, and ethical discipline in financial reporting.

The discussion of findings connected these results to existing literature, showing strong agreement with prior studies that emphasize the indispensable role of ethics in financial reporting. The study's contribution lies in empirically validating that ethical values are not just desirable attributes but essential determinants of reporting quality in the Nigerian context.

In conclusion, this chapter established that personal ethics are critical drivers of financial reporting quality at the University of Benin. These findings form the foundation for the next chapter, which draws conclusions, highlights implications, and offers recommendations based on the study's objectives.

## **CHAPTER FIVE:**

### **SUMMARY, CONCLUSION, AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter contains the summary, conclusion, and suggestions from the study “The Influence of Personal Ethics on Financial Reporting Quality”. The chapter discusses the primary findings generated from the analysis in Chapter Four and how they relate to the research objectives and hypotheses described in Chapter 1. Furthermore, the chapter analyses how the findings affect practice, policy, and future study.

#### **5.1 Summary of Findings**

The study investigated the influence of personal ethics on the quality of financial reporting at the University of Benin. Specifically, the research examined the effects of integrity, professional competence, accountability, and self-discipline on financial reporting quality. To achieve this, four research questions and corresponding hypotheses were formulated. Data were collected from 92 respondents drawn from accountants, auditors, financial controllers, budget officers, and accounting academics using a structured questionnaire.

The demographic analysis revealed that the sample consisted predominantly of male and youthful respondents, most of whom had less than five years of professional experience and held

B.Sc./HND qualifications. This reflects a relatively young workforce in the University of Benin's accounting and finance-related units.

A reliability test using Cronbach's Alpha showed values ranging between 0.777 and 0.836, with an overall alpha of 0.859, demonstrating strong internal consistency of the research instrument.

Inferential statistics (regression analysis) revealed that all four constructs of personal ethics significantly influenced financial reporting quality:

1. Integrity ( $\beta = 0.421, p < 0.05$ )
2. Professional competence ( $\beta = 0.387, p < 0.05$ )
3. Accountability ( $\beta = 0.359, p < 0.05$ )
4. Self-discipline ( $\beta = 0.333, p < 0.05$ )

The multiple regression model showed that personal ethics jointly explained 55.7% of the variance in financial reporting quality ( $R^2 = 0.557$ ). The ANOVA confirmed that the model was statistically significant ( $F(4,87) = 32.423, p < 0.05$ ).

All four null hypotheses were rejected, confirming that integrity, professional competence, accountability, and self-discipline significantly influence the accuracy, transparency, compliance, and ethical discipline of financial reporting practices.

## **5.2 Conclusion**

This study aimed to investigate the impact of personal ethics on the quality of financial reporting at the University of Benin. It looked specifically at how integrity, professional competence,

accountability, and self-discipline influence the accuracy, transparency, and compliance of financial reporting methods. To evaluate the hypotheses, the study used a structured questionnaire administered to 92 accounting professionals and academics, as well as descriptive and inferential statistical approaches such as multiple regression analysis. Personal ethics were found to be a strong predictor of financial reporting quality, accounting for more than half of the difference in reporting outcomes.

The study's main finding is that integrity is the strongest predictor of reporting quality, implying that ethical standards of honesty and fairness are critical in ensuring correct financial information. Professional skill was also identified as a major predictor, showing the need of ongoing learning and expertise in improving transparency. Accountability was also acknowledged as a crucial motivator of conformity with established accounting standards, hence increasing trust and credibility in financial statements. Similarly, self-discipline helped to prevent unethical manoeuvres, allowing professionals to maintain ethical standards even while under duress.

Taken together, these data show that the credibility of financial reporting at the University of Benin is dependent not just on technical conformity with accounting rules, but also on the ethical orientation of those responsible for creating and presenting the reports. Ethical characteristics such as honesty, professional competence, accountability, and self-discipline are hence functional requirements for attaining dependable, transparent, and trustworthy financial reporting.

### **5.3 Recommendations**

In line with the findings, the following recommendations are proposed:

1. **Strengthen Integrity Training:** The University of Benin and professional bodies should institutionalize ethics workshops and seminars to reinforce integrity and honesty among financial professionals.
2. **Continuous Professional Development:** Accountants and auditors should engage in ongoing training to update their knowledge of evolving accounting standards and best practices, ensuring competence and transparency.
3. **Enhance Accountability Mechanisms:** Organisations should adopt monitoring systems, peer reviews, and transparent audit procedures that ensure accountability in financial reporting.
4. **Promote Self-Discipline:** Institutions should foster a culture that encourages self-regulation, adherence to deadlines, and resistance to external pressures to compromise financial integrity.
5. **Policy Enforcement:** Regulators should enforce stricter ethical codes and disciplinary measures for professionals who engage in unethical financial practices.

### **5.4 Suggestions for Further Studies**

Future studies may consider the following:

1. Expanding the scope to include other universities and organizations across Nigeria for broader generalization.

2. Conducting longitudinal studies to examine how personal ethics influence reporting quality over time.
3. Investigating institutional and cultural factors that interact with personal ethics in shaping financial reporting quality.
4. Exploring the impact of emerging technologies (e.g., AI, blockchain) on ethics and financial reporting practices.

### **5.5 Contribution to Knowledge**

This study adds significant value to the current body of knowledge on financial reporting quality by setting the issue within the framework of personal ethics in Nigerian higher education. Unlike previous research, which focused primarily on institutional controls, regulatory frameworks, or statutory compliance as the primary determinants of reporting quality, this study offers a unique perspective by revealing how individual ethical values directly influence the credibility and transparency of financial reports. It identifies honesty, professional competence, accountability, and self-discipline as major predictors of reporting quality, broadening the discussion beyond technical compliance and institutional control. Furthermore, the study used a comprehensive methodological approach, including descriptive analysis, correlation, and multiple regression analysis, to give strong empirical support for the ethical foundations of financial reporting standards. The findings thus contribute to the theoretical and empirical

literature by indicating that ethical perspective is not only complimentary , but also essential to achieving trustworthy, transparent, and stakeholder-driven financial reporting. By doing this, the study provides a better understanding of the relationship between professional practices and personal ethics, which helps to guide more successful professional, educational, and regulatory measures meant to increase financial accountability in Nigerian institutions.

## REFERENCES.

- Agyei-Mensah, B. K. (2017). The relationship between corporate governance mechanisms and IFRS 7 compliance: Evidence from market. *Corporate Governance*, 7(4), 486–503. <https://doi.org/10.1108/CG-06-2016-0129>
- Amat, O., Blake, J., & Dowds, J. (1999). The ethics of creative accounting. *Journal of Accounting, Ethics & Public Policy*, 2(1), 11–26. [https://www.researchgate.net/publication/23695128\\_The\\_Ethics\\_of\\_Creative\\_Accounting](https://www.researchgate.net/publication/23695128_The_Ethics_of_Creative_Accounting)
- Bailey, C. D., Scott, I., & Thoma, S. J. (2010). Revitalizing accounting ethics research in the neo-Kohlbergian framework: Putting the DIT into perspective. *Behavioral Research in Accounting*, 22(2), 1–26. <https://doi.org/10.2308/bria.2010.22.2.1>
- Barth, M. E., Landsman, W. R., & Lang, M. H. (2008). International accounting standards and accounting quality. *Journal of Accounting Research*, 46(3), 467–498. <https://doi.org/10.1111/j.1475-679X.2008.00287.x>
- Beneish, M. D. (1999). The detection of earnings manipulation. *Financial Analysts Journal*, 55(5), 24–36. <https://doi.org/10.2469/faj.v55.n5.2296>
- Bishop, T. R., Carlson, D. S., & Ross, W. T. (2005). Examining ethical ideologies, justice, and ethical climate. *Journal of Business Ethics*, 64(3), 313–326. <https://doi.org/10.1007/s10551-005-0274-4>
- Brown, M. E., & Treviño, L. K. (2006). Ethical leadership: A review and future directions. *The Leadership Quarterly*, 17(6), 595–616. <https://doi.org/10.1016/j.leaqua.2006.10.004>
- Bushman, R., & Smith, A. (2003). Transparency, financial accounting information, and corporate governance. *Economic Policy Review*, 9(1), 65-87.
- Carter, S. L. (1996). *Integrity*. New York: Harper Perennial.

- Cohen, J. R., Krishnamoorthy, G., & Wright, A. (2008). Form versus substance: The implications for auditing practice and research of alternative perspectives on corporate governance. *Auditing: A Journal of Practice & Theory*, 27(2), 181–198. <https://doi.org/10.2308/aud.2008.27.2.181>
- Okike, E.N.M. (2007). Corporate governance in Nigeria: The status quo. *Corporate Governance: An International Review*, 15(2), 173–193.
- Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a theory of management. *Academy of Management Review*, 22(1), 20-47. <https://doi.org/10.5465/amr.1997.9707180258>
- Dechow, P., Ge, W., & Schrand, C. (2010). Understanding earnings quality: A review of the proxies, their determinants and their consequences. *Journal of Accounting and Economics*, 50(2-3), 344-401. <https://doi.org/10.1016/j.jacceco.2010.09.01>
- Dichev, I. D., Graham, J. R., Harvey, C. R., & Rajgopal, S. (2013). Earnings quality: Evidence from the field. *Journal of Accounting and Economics*, 56(2-3), 1–33. <https://doi.org/10.1016/j.jacceco.2013.05.003>
- Duckworth, A. L., & Seligman, M. E. P. (2006). Self-discipline gives girls the edge: Gender in self-discipline, grades, and achievement test scores. *Journal of Educational Psychology*, 98(1), 198–208. <https://doi.org/10.1037/0022-0663.98.1.198>
- Epstein RM, Hundert EM. Defining and assessing professional competence. *JAMA*. 2002;287(2):226-235.
- Graham, A. (2012). The teaching of ethics in undergraduate accounting programmes: The students' perspective. *Accounting Education*, 21(6), 599–613. <https://doi.org/10.1080/09639284.2012.725638>

- Graham, J. R., Harvey, C. R., & Rajgopal, S. (2017). Corporate misreporting and the role of auditors: Evidence from the field. *Journal of Accounting and Economics*, 64(2–3), 375–398. <https://doi.org/10.1016/j.jacceco.2017.07.003>
- Hofstede, G. (2001).
- International Federation of Accountants. (2020). Handbook of the Code of Ethics for Professional Accountants. International Ethics Standards Board for Accountants (IESBA). <https://www.ifac.org/publications-resources/2020-handbook-international-code-ethics-professional-accountants>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Management behaviour, agency costs and ownership structure. *Journal of Financial Economics*, 3(4), 305-360.
- Jones, T. M. (1991). Ethical decision making by individuals in organizations: An issue-contingent model. *Academy of Management Review*, 16(2), 366–395. <https://doi.org/10.5465/amr.1991.4278958>
- Kaplan, S. E. (2001). Ethically related judgments by observers of earnings management. *Journal of Business Ethics*, 32(4), 285–298. <https://doi.org/10.1023/A:1010796829629>
- KHE International Code of Ethics for Professional Accountants. <https://www.ifac.org>
- Libby, T., & Thorne, L. (2007). The development of a measure of auditors’ virtue. *Journal of Business Ethics*, 71(1), 89-99. <https://doi.org/10.1007/s10551-006-9124-4>
- May, D. R., & Pauli, K. P. (2002). The role of moral intensity in ethical decision-making: A review and investigation of moral recognition, evaluation, and intention. *Business and Society Review*, 41(1), 84–117.
- Mayhew, B. W., & Murphy, P. R. (2009). The impact of ethics education on reporting behavior. *Journal of Business Ethics*, 86(3), 397–416.

- Murphy, P. R., & Dacin, M. T. (2011). Psychological pathways to fraud: Understanding and preventing fraud in organizations. *Journal of Business Ethics*, 101(4), 601–618. <https://doi.org/10.1007/s10551-011-0741-0>
- Nelson, M. W. (2003). Behavioral evidence on the effects of principles- and rules-based standards. *Accounting Horizons*, 17(1), 91–104. <https://doi.org/10.2308/acch.2003.17.1.91>
- Nelson, M. W., Elliott, J. A., & Tarpley, R. L. (2002). Evidence from auditors about managers' and auditors' earnings management decisions. *The Accounting Review*, 77(Supplement), 175–202. <https://doi.org/10.2308/accr.2002.77.s-1.175>
- O'Leary, C., & Stewart, J. (2007). Governance factors affecting internal auditors' ethical decision-making. *Managerial Auditing Journal*, 22(8), 787–808. <https://doi.org/10.1108/02686900710819643>
- Okike, E. N. M. (2007). Corporate governance in Nigeria: The status quo. *Corporate Governance: An International Review*, 15(2), 173–193. <https://doi.org/10.1111/j.1467-8683.2007.00553.x>
- Okike, N. (2007). Corporate governance in Nigeria: The status quo. *Corporate Governance: An International Review*, 15(2), 173–193. <https://doi.org/10.1111/j.1467-8683.2007.00553.x>
- Osemeke, L., & Adegbite, E. (2016). Regulatory multiplicity and conflict: Towards a combined code on corporate governance in Nigeria. *Journal of Business Ethics*, 133(3), 431–451. <https://doi.org/10.1007/s10551-014-2405-3>
- Rest, J. R. (1986). *Moral development: Advances in research and theory*. New York: Praeger.
- Schaubroeck, J. M., Hannah, S. T., Avolio, B. J., Kozlowski, S. W., Lord, R. G., Treviño, L. K., Dimotakis, N., & Peng, A. C. (2012). Embedding ethical leadership within and across organization levels. *Academy of Management Journal*, 55(5), 1053–1078. <https://doi.org/10.5465/amj.2011.0064>

- Shafer, W. E. (2002). Ethical pressure, organizational-professional conflict, and related work outcomes among management accountants. *Journal of Business Ethics*, 38(3), 261–273.
- Sinclair, A. (1995). The chameleon of accountability: Forms and discourses. *Accounting, Organizations and Society*, 20(2–3), 219–237. [https://doi.org/10.1016/0361-3682\(93\)E0003-Y](https://doi.org/10.1016/0361-3682(93)E0003-Y)
- Sweeney, B., & Costello, F. (2009). Moral intensity and ethical decision-making: An empirical examination of undergraduate accounting and business students. *Accounting Education: An International Journal*, 18(1), 75–97. <https://doi.org/10.1080/09639280802579658>
- Sweeney, B., Arnold, D., & Pierce, B. (2010). The impact of perceived ethical culture of the firm and demographic variables on auditors' ethical evaluation and intention to act decisions. *Journal of Business Ethics*, 93(4), 531-551. <https://doi.org/10.1007/s10551-009-0237-3>
- Trevino, L.K. (1986). Ethical Decision Making in Organizations: A Person-Situation Interactionist Model. *The Academy of Management Review*, 11(3), 601–617. <https://doi.org/10.2307/258313>
- Trevino, L.K., Weaver, G. R., & Brown, M. E. (2014). It's lovely at the top: Ethical leadership and ethical culture in organizations. *Journal of Organizational Behavior*, 35(2), 115–129. <https://doi.org/10.1002/job.1852>
- Uche, C. U. (2002). Professional accounting development in Nigeria: Threats from the inside and outside. *Accounting, Organizations and Society*, 27(4–5), 471–496. [https://doi.org/10.1016/S0361-3682\(01\)00007-1](https://doi.org/10.1016/S0361-3682(01)00007-1)
- Understanding earnings quality: A review of the proxies, their determinants and their consequences. *Journal of Accounting and Economics*, 50(2–3), 344–401.
- Victor, B., & Cullen, J. B. (1988). The organizational bases of ethical work climates. *Administrative Science Quarterly*, 33(1), 101–125. <https://doi.org/10.2307/2392857>

## **APPENDIX**

### **THE INFLUENCE OF PERSONAL ETHICS ON FINANCIAL REPORTING QUALITY**

Dear Sir/Ma,

#### **REQUESTING FOR YOUR COOPERATION IN COMPLETING THE QUESTIONNAIRE**

I am a 400-level accounting student at the University of Benin conducting a research study on the Influence of Personal Ethics on Financial Reporting Quality as a part of my degree requirements.

The questionnaire seeks your opinion on how personal ethics influence the financial reporting quality. Your response will provide insights for the study.

Participation is voluntary, and all information will be treated with strict confidentiality and used for academic purposes. Please answer the following questions honestly, and to the best of your knowledge, experience or expertise.

Thank you for your time, effort, cooperation, and valuable contribution to this academic work.

Yours Faithfully,

OKAREVU UFUOMA ISABELLA

## **Section A: Demographic Information**

Please tick the option that applies to you.

### 1. Gender

- Male
- Female
- Prefer not to say

### 2. Age

- Below 30
- 30-39
- 40-49
- 50 years and above

### 3. Professional Role

- Accountant
- Auditor
- Financial Controller/Budget Officer
- Accounting Academic

### 4. Years of experience

- Less than 5 years
- 5-10
- More than 10 years

5. Highest Educational Qualification

- B.Sc./HND
- M.Sc./MBA
- Ph.D

Other:

**Section B: Professional Competence**

Instruction: Please read each statement carefully and indicate the extent to which you agree or disagree by selecting the option that best reflects your opinion.

Use the following scale:

1) Strongly Agree, 2) Agree, 3) Neutral, 4) Disagree, 5) Strongly Disagree.

1. I possess the necessary knowledge and skills to carry out financial reporting effectively.

- Strongly Agree
- Agree
- Neutral
- Disagree

Strongly Disagree

2. I continuously update my professional knowledge to keep pace with new accounting standards.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

3. I believe competence is a key factor in ensuring high-quality financial reporting.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

4. I avoid undertaking financial tasks that exceed my professional competence.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

5. I apply professional judgment carefully and in line with best practices.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

### **Section C: Integrity**

Instruction: Please read each statement carefully and indicate the extent to which you agree or disagree by selecting the option that best reflects your opinion.

Use the following scale:

1) Strongly Agree, 2) Agree, 3) Neutral, 4) Disagree, 5) Strongly Disagree.

1. I uphold professional integrity in all my financial reporting duties.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

2. I resist external pressures (management, peers, or political) to alter financial data.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

3. I adhere to accounting and reporting standards even when no one is supervising.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

4. I take responsibility for errors in financial reporting and correct them promptly.

- Strongly Agree
- Agree
- Neutral
- Disagree

Strongly Disagree

5. I act consistently with ethical principles regardless of potential personal gain.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

#### **Section D: Self-discipline**

Instruction: Please read each statement carefully and indicate the extent to which you agree or disagree by selecting the option that best reflects your opinion.

Use the following scale:

1) Strongly Agree, 2) Agree, 3) Neutral, 4) Disagree, 5) Strongly Disagree.

1. I remain committed to ethical principles even under pressure to compromise.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

2. I avoid conflicts of interest that could impair my professional judgment.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

3. I adhere strictly to deadlines and procedures in financial reporting.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

4. I exercise restraint from engaging in unethical financial practices.

- Strongly Agree
- Agree
- Neutral
- Disagree

Strongly Disagree

5. Self-discipline ensures consistency in applying accounting standards and policies.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

### **Section E: Accountability**

Instruction: Please read each statement carefully and indicate the extent to which you agree or disagree by selecting the option that best reflects your opinion.

Use the following scale:

1) Strongly Agree, 2) Agree, 3) Neutral, 4) Disagree, 5) Strongly Disagree.

1. I take full responsibility for financial reports prepared under my supervision.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

2. I can justify all financial decisions and reporting actions when required.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

3. I acknowledge and correct mistakes openly rather than concealing them.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

4. I believe financial professionals should be held accountable for unethical reporting.

- Strongly Agree
- Agree
- Neutral
- Disagree

Strongly Disagree

5. Accountability improves the trustworthiness of financial reporting.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

### **Section F: Financial Reporting Quality**

Instruction: Please read each statement carefully and indicate the extent to which you agree or disagree by selecting the option that best reflects your opinion.

Use the following scale:

1) Strongly Agree, 2) Agree, 3) Neutral, 4) Disagree, 5) Strongly Disagree.

1. Financial reports produced in my unit are free from material misstatements.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

2. Reports are prepared in accordance with international accounting standards.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

3. Financial information is reliable for decision-making by stakeholders.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

4. Reports are timely and relevant to the needs of users.

- Strongly Agree
- Agree
- Neutral
- Disagree

Strongly Disagree

5. The reporting process in my unit demonstrates accountability and accuracy.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree