

**CORPORATE SOCIAL ENVIRONMENTAL REPORTING, EARNINGS
MANAGEMENT AND QUOTED FIRM SHARE PRICES IN NIGERIA**

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DECEMBER, 2020

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BY

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**A THESIS SUBMITTED TO THE SCHOOL OF POSTGRADUATE STUDIES
IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF
DOCTOR OF PHILOSOPHY (Ph.D.) DEGREE IN ACCOUNTING, IN THE
DEPARTMENT OF ACCOUNTING, COLLEGE OF MANAGEMENT AND SOCIAL
SCIENCES, COVENANT UNIVERSITY, OTA, NIGERIA**

DECEMBER, 2020

ACCEPTANCE

This is to attest that this thesis is accepted in partial fulfilment of the requirements for the award of the degree of the Doctor of Philosophy (Ph.D.) in Accounting in the Department of Accounting, College of Management and Social Sciences, Covenant University, Ota.

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DECLARATION

I, **OMOIKE OSEREME AMIOLEMEN, (16PAA01299)**, declare that this research work was carried out by me under the supervision of Prof. Uwalomwa Uwuigbe of the Department of Accounting, College of Management and Social Sciences, Covenant University, Ota, Ogun State and Prof. Philip Alege of the Department of Economics and Development Studies, College of Management and Social Sciences, Covenant University, Ota, Ogun State, Nigeria. I attest that the thesis has not been presented either wholly or partially for the award of any degree elsewhere. All sources of data and scholarly information used in this thesis are duly acknowledged.



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CERTIFICATION

We certify that this thesis titled “**Corporate Social Environmental Reporting, Earnings Management and Quoted Firm Share Prices in Nigeria**” is an original research work carried out by **OMOIKE, OSEREME AMIOLEMEN (16PAA01299)** in the Department of Accounting, College of Management and Social Sciences, Covenant University, Ota, Nigeria under the supervision of Prof. Uwalomwa Uwuigbe and Prof. Philip Alege. We have examined and found this work acceptable as part of the requirements for the award of Doctor of Philosophy (Ph.D) degree in Accounting.

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DEDICATION

I dedicate this work to the Almighty God, who endowed me with the required wisdom, strength and inspiration to complete this assignment. There were several trials along the way but the faith and assurance from God's love kept me on. Therefore, we have this confidence that He who has started a good work in us will perfect same. To you Lord, I dedicate this work.

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LIST OF ABBREVIATIONS

ANOVA	Analysis of Variance
BDS	Board Size
BGD	Board Gender Diversity
BIND	Board Independence
BDM	Board Meeting
BDOWN	Board Ownership
BOD	Board of Directors
CSR	Corporate Social Reporting
CSER	Corporate Social Environmental Reporting
DACC	Discretionary Accruals
ED	Environmental Disclosure
EM	Earnings Management
EPS	Earnings Per Share
FASB	Financial Accounting Standard Board
IFRS	International Financial Reporting Standard
GAAP	Generally Accepted Accounting Principles
GD	Governance Disclosure
GAAP	Generally Accepted Accounting Principles
LEV	Leverage
NSE	Nigeria Stock Exchange
OLS	Ordinary Least Square
ROA	Return on Assets
SD	Social Disclosure
SEC	Security and Exchange Commission
SP	Share Prices

ABSTRACT

Non-financial disclosure has begun to generate as much reactions on firm share prices as financial disclosure. Hence, stakeholders are beginning to pay more attention to activities of Corporate Social Environmental Reporting (CSER) and Earnings Management (EM). This heightened interest has exposed the need for managers to maximize investment in CSER activities, understand the role of EM in determining share price and the impact of firm share price performance on activities of CSER and EM. It is against this backdrop that this study disaggregates the various dimensions of CSER. The study empirically examined Corporate Social Environmental Reporting, Earnings Management and quoted firm share prices for selected non-financial firms in Nigeria. This study also examined the impact of firm share prices on the activities of CSER and EM. To achieve this, a sample size of 70 listed companies from the Nigerian non-financial sector was selected using a Burley's formula popularized by Taro Yamane for sample size determination. The study engaged the use of content analysis of the selected listed firms. The annual reports and corporate websites were also utilized to determine the CSER disclosure index and its impact on the firm share prices for a period of seven years (2011-2017). Similarly, the discretionary accruals were obtained to ascertain the impact of EM on firm share prices for the period. The study utilized panel data and Granger Causality to test the hypotheses and find out the causal relationship between the variables. Findings from the study show that only the environmental dimension of CSER has a significant and bi-directional relationship with firm share prices. However, the other dimensions of CSER have an insignificant bi-directional relationship with share prices. The study also observed that the relationship between earnings management and firm share prices is uni-directional and insignificant. The various dimensions of CSER have a significant relationship with firm share prices. The study, therefore, concludes that only activities of CSER have significant impact on firm share prices. Earnings management does not have a significant impact on firm share prices because there is an improved awareness on the part of investors. In other words, investors see through earnings manipulation. The study recommends that researchers adopt a bi-directional approach in estimating the relationship between the environmental dimension of CSER and firm share prices.

Keywords: Corporate Social Environmental Reporting; Disclosure; Earnings Management; Firm value; Firm performance; Non-financial sector

