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IMPACT OF BOARD ATTRIBUTES ON EARNINGS QUALITY OF LISTED INSURANCE COMPANIES IN NIGERIA

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Abstract
This research examined the impact of board attributes on the earnings quality of Nigerian listed insurance businesses. The study employed documented data from the annual reports and accounts of the sampled companies from 2009 to 2018. The population of the study is made up of all twenty-seven (27) insurance companies listed onthe Nigerian stock exchange, with fifteen (15) selected as the study sample. Using Stata version 14, the data was analyzed using descriptive statistics to obtain summary statistics for the variable, Pearson correlation analysis, and the Multiple Regression approach. It was revealed that the size and independence of the board of directors had a significant impact on the quality of earnings. Female directors and board meetings, on the other hand, have no significant influence on the earnings quality of Nigerian listed insurance companies. As a result, the study concludesthat board characteristics influence the earnings quality of listed Nigerian insurance companies.Hence, the study suggests that investors should pay more attention to companies with a large number of directors, as stipulated by the NAICOM code of corporate governance, which states that the minimum number of board members should be 7 and the maximum number should be 15, in order to minimize earnings manipulation. NAICOM should also ensure that the terms of the code are fully observed in order to improve the quality of earnings of Nigeria's listed insurance companies, in order to have effective oversight by independent directors.

Keywords: Board size, Board Independence, Women Directors, Board Meetings, Earnings Quality

1. Introduction

Those that utilize financial reports for contracting and decision-making processes are interested in the effectiveness of financial reporting quality. This is because a company's earnings, as stated in financial statements, are a gauge of its ability to provide financial data to relevant users (Hassan & Farouk, 2014). The earnings information of a company is an important indicator of itsfinancial performance. When there is less information asymmetry it means that there is enough, precise, and reliable earnings (i.e., good quality earnings) provided by the firm to the capital market, and it provides insight into its actual worth. A reliable financial report is also required bycapital markets. As a result, a company's financial statements must be accurate, relevant, and freefrom any form of manipulation. Therefore, earnings quality is a credible representation of expected profits, and stated profits will assist consumers in making wise financial decisions.

Finance providers, such as shareholders and debt holders, rely largely on financial statements due to limited access to managerial information. Because financial reporting gives meaningful information to the organization's external parties, managers have greater incentive to manipulate earnings to their benefit (Haruna, et al., 2018). As a result, financial statements must demonstrate the veracity and accuracy of financial information in order for shareholders to make informed decisions. Hence, lack of precision in financial data, the shareholders and other users tend to make incorrect judgments and decisions. Hence, an efficient corporate board can improve a company's poor earning quality and weak financial base. The board of directors is in responsible for supervising the actions of the company in order to fulfill its goals. They are also in charge of making sure that reported earnings are free of all significant errors and misstatements in order to achieve the firm's long-term goal of enhancing shareholder and market value. Effective corporate boards, according to Chi, Lisic, et al., (2013), prevent managers' opportunistic behavior and minimize misleading and inaccurate reporting. Therefore, the corporate governance structure set out the rights and obligations of various corporation participants, such as the board of directors, management, shareholders, and other stakeholders, as well as the rules and methods for taking decisions. It also provides the structure through which the company's goals are determined, as well as the means of achieving those goals and monitoring performance (Bandiyono, 2019).

The board of directors of a corporation is the highest executive body of the corporation, elected by its shareholders to represent it within the legal framework. They have such responsibilities under the Companies and Allied Matters Act 2020, and their respective articles of association, aswell as all other business laws and rules. It is made up of a group of individuals tasked with making long-term decisions concerning the company's future. Boards of directors are in charge of making policy choices, developing strategic plans, and overseeing executive actions in orderto achieve the firm's overall goals. Because of the board's influence, it's critical to understand how decisions are made at the board level and whether board characteristics play a significant role in decision-making in order to achieve the firm's goals.

By adopting and implementing the decisions, the board of directors should maximize the company's market value. While operating the company, the board of directors should ensure that shareholders receive long-term and consistent revenue. When conducting business, the board should pay special attention to establishing a balance between the interests of shareholders and the company's growth potential. Hence, having a robust corporate board structure can offer a variety of benefits, including supporting the company in producing high-quality profitability (Abubakar, 2013). Therefore, the board of directors is responsible for ensuring that the reported earnings are free of managerial manipulation.

It is on the basis of this that the study set to evaluate the impact board attributes on earnings quality of listed Nigerian insurance companies. It is driven by the fact that most prior studies have excluded financial services corporations, particularly insurance companies, due to the industry's unique reporting requirements.For this study, board attributes are seen from board size, board independence, board meetings, and gender diversity.

The Companies and Allied Matters Act (CAMA), Cap. C20, LFN, 2020, as legislated in Nigeria, provides that: "A director of a firm has a fiduciary duty to the firm and must act with honesty and integrity in all transactions with or on behalf of the firm. As such, stakeholders may have concerns about the directors' trustworthiness in their actions and responsibilities. Also, accordingto section 282 of the CAMA stipulates that "every director of a company shall exercise the powers and discharge the duties of his office honestly, in good faith and the best interest of the company, and shall exercise the degree of care, diligence, and skills, which a reasonably prudent director would exercise in a comparable circumstance.

Furthermore, Directors must develop and maintain a high level of integrity, honesty, transparency, and accountability in order to satisfy stakeholders and justify their actions. Similarly, section 334 of CAMA compels the company's directors to compile and publish financial statements for the year to the company's members at the Annual General Meeting. The Board's duty is to provide the corporation's entrepreneurial management with a framework of prudent and effective controls that makes risk assessment and control easier. The Board of Directors should also set the company's strategic goals, ensure that the necessary financial and human resources are in place to achieve those goals, and assess management performance. All board members must make decisions objectively in the company's best interests to acknowledge and fulfill their duties to its shareholders and others (Abdullahi, 2011).

Non-executive directors, for their part, should positively challenge and assist in the creation of development of strategy suggestions. They should monitor the progress report and analyze management's performance in fulfilling organization's goals and objectives. They should guarantee the integrity of financial information and financial controls, as well as the robustness and protection of risk management systems. They are in charge of deciding the proper levels of executive director salary, as well as hiring and removing executive directors when necessary. They are also in charge of ensuring the quality of the reported earnings and monitoring the quality of the information contained in financial statements.

Earnings are regarded as the most important piece of information that can help interested parties make decisions. Because the earnings information contained in the company's annual financial statements is so important, managers will go to great lengths to generate financial statements that are attractive to both internal and external stakeholders. Earnings quality is used by investors to evaluate a company and make informed judgments. As such, when investors lack access to high-quality information on a company's earnings, they usually charge a high cost of capital to compensate for the risk, which may have a negative impact on the overall value of the company (Leuz& Verrecchia, 2004).

2.1 Review of Related Empirical Literature

The impact of board attributes on the quality of earnings of Nigerian conglomerate firms was investigated by Haruna et al., (2018). To collect data from the audited accounts, a secondary source of data was utilised. Two-step regressions were employed in order to assess the data. The results reveal that board attribute proxies have a significant impact on the earnings quality of Nigerian conglomerate firms. This reveals that board features are critical in minimizing unethicalmanagerial behavior and hence increasing earnings quality in Nigerian conglomerate companies. Egbunike and Odum (2018) also looked into the impact of board leadership structure on the quality of earnings in Nigerian industries. A secondary source of data collection was used to obtain data from the audited accounts. The data was analyzed with the use of a pooled OLS regression model. The findings show that the size and composition of the board of directors have a significant positive effect on the earnings quality of Nigerian manufacturing companies.

Also, Tunji et al., (2019) investigated the impact of corporate governance on the quality of reported earnings in Nigerian deposit money banks. Over a ten-year period, cross-sectional data were collected from ten (10) Nigerian Stock Exchange-listed deposit money banks (2008-2017). Both descriptive and inferential statistics were used to analyze the data. As a proxy for reported earnings quality, earnings predictability was utilized, while board size, board independence, and foreign directorship were proxies for corporate governance. The study discovered that board size has a positive and insignificant relationship with earnings quality; board independence has a negative but insignificant association with earnings quality; and firm size has a negative and insignificant association with earnings quality. The research was conducted in the banking industry. Thus, the financial sector was utilized in this study, with a focus on Nigerian insurance companies.

In their work, Rajeevan and Ajward (2019) investigated the impact of designated corporate governance characteristics and the degree of earnings management in a sample of Sri Lankan public companies. A total of 70 Colombo Stock Exchange (CSE) listed companies were chosen based on their highest market capitalization from 2015 to 2017 and represented the beverage, food and tobacco, diversified, hotel and travel, manufacturing, oil palms, and health care sectors, accounting for 59.9% of the CSE's total market capitalization. The study discovered a connection between board independence and earnings management that was both positive and significant. However, it could not find any significant effect of board size and meetings on earnings management.

Furthermore, Schrawat et al. (2019) focused on the impact of corporate governance on India's earnings management practices on 1613 non-financial organizations in the Indian sub-continent; they used random-effect point estimates. The data was collected between 2004 and 2018. The study looked at four different aspects of corporate governance: board size, CEO–chair duality, managerial ownership, and audit committee independence, with discretionary accruals serving as a stepping stone for determining income misappropriation. The modified Jones model (Dechow et al., 1995) was used to generate the results for this. The empirical findings are consistent with the corporate governance concept. The size of the board of directors, which is one of the corporate administration features, was found to have no influence on earnings management. The analysis confirms that in emerging countries, corporate governance essential have a detrimental impact on the problem of earnings manipulation. The importance of the study is heightened by the predominance of the so-called "interest conflict" between minority and majority shareholdersin emerging nations like India, as opposed to between executives and proprietors.

In Malaysia, Hashim et al. (2019) studied the link between board diversity and earnings quality in companies listed on the Bursa Malaysia Main Market. Malaysia is a country having a diverse population of ethnic and cultural backgrounds, which may have a positive effect on earning quality. They also looked into whether the Internal Audit role was done in-house or outsourced as a measure to improve the firms' earnings quality. The earning quality of the sample companieswas found to be significantly impacted by nationality, diversity, and ethnicity diversity. Gender and age diversities, on the other hand, had no discernible impact on the quality of earnings. In related study, Debnath et al. (2019) investigated the relationship between female board membership and real earnings management in the setting of an emerging economy in Bangladesh. During the years 2000-2017, the study used a sample of 2193 firm-year observations listed on the Dhaka Stock Exchange. The existence and proportion of female directors on the board, as well as the presence of independent female directors, are all positively associated with real earnings management, according to their research. Therefore, enterprises with female directors are more likely to engage in higher degrees of earnings management, such as reduced-price discounts, unfavorable lending terms, and smaller production capacities. Their research also shows that companies with female directors are more likely to follow defensive financial reporting strategies and deploy more income-decreasing earnings. Their colleagues in companies with lower female representation on the board, on the other hand, are significantly less likely to engage in similar activities. As a result, the permanence of female directors may be a major solution to the problem of income-increasing real earnings management. As a result, corporate governance helps to minimize real earnings management, especially when a female director is appointed to the board.

Al-Azeez et al. (2019) investigated whether board attributes have an impact on earnings management in global Oil and Gas Corporations. They were represented by the board characteristics of board independence, board size, board diversity, and CEO duality. This study used secondary data and quantitative research approach for one-year period. A sample of 71 companies from the Top 250 was chosen. Board independence has a considerable impact on earnings management reduction, according to the findings of this study. The size of the board, on the other hand, has no influence because a larger board is less efficient at monitoring it. It is more difficult for board members to oversee management when there are more members on the board, and gender diversity has a significant impact on the reduction of earnings management. Inanother study, Olum et al. (2019) used data analysis of 152 companies listed on the Tehran StockExchange from 2011 to 2016 to assess the impacts of female directors on the board of directors and the audit committee (gender diversity) on earnings quality. The archive-based method was used to collect data, and regression analysis was used to evaluate hypotheses using the unbalanced panel data method. The findings revealed that women's participation in the audit committee had a significant impact on the quality of earnings. Gender diversity in the board of directors, on the other hand, had no significant effect on the company's earnings quality, according to the findings. The presence of women's representatives in management positions improves effective supervision and the eminence of financial reporting. This improves the quality of earnings by increasing the independence of the board of directors and the audit committee.

In Nigeria, Oyebamiji (2020) examined the impact of board characteristics on the earnings quality of Nigeria's public listed financial institutions. Secondary data was used in the study. The population included all 16 financial firms listed on the Nigerian Stock Exchange. The top 10 banks whose shares were regularly traded on the stock exchange were chosen using a targeted sample technique. Over a ten-year period, data regarding board characteristics and earnings quality were gathered from the selected firms audited financial statements and the Nigerian Stock Exchange Fact book (2008-2017). Pooled ordinary least square, fixed effect, and random effect estimation approaches were used to examine the data. The result from the study showed that board independence and board size had a positive and negative significant relationship respectively with earnings quality, while board meeting does not exhibit any statistical significance.

Daniel et al. (2020) investigated the impact of board size on real earnings management in Nigerian listed companies. The expo facto research design was used, focusing on secondary data from the listed companies' annual reports. For the 2009-2018 financial years, a simple random sample technique was used to select 31 companies from a total of 57. The Hausman test, which was examined using E-views 10, was utilized to carry out this purpose, and three techniques of panel regression estimation were used: pool, fixed effect, and random effect by the Hausman test. The data show that board size has no influence on earning management. The results indicated that the board of directors is a corporate governance structure that helps to prevent earnings manipulation.

Based on the above review, it is clear that none of these studies was conducted in the Nigerian Insurance Companies, hence this necessitates the conduct of this study.

3. Methods and Techniques

The main objective of this study is to examine the effect among board attributes and earnings quality of listed insurance companies in Nigeria from 2009 to 2018. The firms and variables investigated in this section of the study are discussed, as well as the data distribution patterns and statistical approaches used to investigate the impact of these variables (board size, board independence, women directors, and board meetings) on earnings quality. The non-survey method was used to obtain data for this investigation. This is for the fact that the accounting data needed for this study may be found in the sampled firms published annual reports and accounts. The population of this study includes all 27 Nigerian insurance companies that are publicly listedon the Nigerian Stock Exchange. The criteria for selecting the working population were that the company had to be listed by 2009 without being delisted, and that data was available for the study period, which was 2009 to 2018. As a result, 15 companies fulfilled the criteria and were included in the sample.In order to conduct this research, multiple regressions were used. This data analysis technique is used to determine the effects of IV on the DV. Past research and various studies undertaken by different scholars on the studied variables influence the choice andselection of variables.

3.2.1 Variables of the Study and their Measurements

This study used two types of variables, the dependent and the explanatory.

3.2.2 The Dependent Variable

To measure earnings quality, this study used a cross sectional variation of the modified Jones model (Dechow et al. 1995 and Jones 1991) using a discretionary accrual as a proxy. Discretionary accruals have long been used as a proxy for earnings management. The modified Jones model, according to Dechow et al (1995), is the most powerful model for evaluating discretionary accruals. It is used by Schrawat et al., (2019), Nwoye et al., (2020), and Daniel et al., (2020) to signify lower quality and vice versa. To back up their claim, Fodio et al. (2013) specifically used discretionary accruals as a proxy for earnings quality in Nigerian insurance firms because all of the variables in the model can be found in the firms' annual report and accounts, hence justify the use of modified Jones model. Discretionary accruals can be obtained as follows:

DA = TACC – NDA
TACC=NDA+ DA
Where TACC = Total accruals
NDA = Non-Discretionary Accruals
DA = Discretionary accruals

TACCit = a (1/ASSETSit -1) + a1 (Δ REVit – ΔRECit) + a2 PPEit +Eit
Where TACCit = total accruals in year t for firm i
Δ REVit = revenues in year t less revenues in year t -1 for firm i
ΔRECit = receivables in year t less receivables in year t -1 for firm i
PPEit = gross property, plant and equipment in year t for firm i
Eit = error terms (residuals) in year t for firm i
All variables are scaled by total assets year t-1.
Note Eit (residuals) represents the discretionary accruals.

3.2.3 The Explanatory Variables

This comprises the independent and control variables. The independent variable is board attributes represented by board size, board independence, board meetings and board diversity which could be measured as follows;

a) Independent Variables

i. Board Size (BS) is the number of directors on the board (Gulzar &Zongjun, 2011; Gill & Bigger, 2013; Tahir et al. 2019; Meirini, 2020; Fadiri et al. 2020)
ii. Board Independence (BI) is measured by the ratio of outside or non-executive directors to the total number of directors (Hassan, 2011; Mohammad, 2012; Hassan etal. 2020; Fadiri et al. 2020).
iii. Board Meeting (BM) is the number of meetings held by the board within a year (Ntim & Osei, 2011; Gill & Bigger, 2013; Tahir et al. 2019)
iv. Board Diversity (BD) is the ratio of female directors to the total number of directors (Dalton & Dalton, 2010; Ahmad et al. 2016; Gull, et al 2017; Charitau et al. 2017; Olum et al. 2019)

b) Control Variables

i. Firm Size: The size of a company has a significant impact on its success. Bigger corporations appear to be more profitable than smaller companies (Vijayakumar &Tamizhselvan 2010). The board of directors of larger enterprises has a tendency to rein in the executive directors' excesses. In this study, the natural log of total assets was used as a proxy for firm size.
ii. Firm Age: For the purpose of this study, firm age was proxied as the number of years since listing. This is consistent with Amran (2011), Samaila (2014) and Qasim,(2014), who proxied age as the year of listing on the stock exchanges.
iii. Profitability: This can be calculated by dividing net profit before interest and tax by total assets as used by Saad (2010) and Shehu (2014).

3.3 Model Specification

In order to assess the impact of board attributes on earnings quality, the study adopts with little change the model used Haruna et al., (2018) as follows:

$$EQ_{it} = \beta_0 + \beta_1 BS_{it} + \beta_2 BI_{it} + \beta_3 BM_{it} + \beta_4 GD_{it} + \beta_5 PROF_{it} + \beta_6 FS_{it} + \beta_7 AGE_{it} + \varepsilon_{it}$$

Where:

EQ= Earning quality
BS= Board Size
BI= Board Independence

BM= Board Meetings
GD= Gender diversity
PROF= Profitability
FS= Firm size
AGE = Firm Age
β_0 = Intercept
$\beta_{1-}\beta_9$ =Coefficients
ε = error term

4. Results and discussion

The statistical software Stata (version 14) was used to examine the relationship between the study's variables. The statistical properties of the variables in the study model are simply represented by descriptive statistics. Such data can be found in Table 1 below. All of the variables were gathered from the relevant information on the sampled companies' directors' reports and financial statements.

4.1 Descriptive statistics

Table 1: Descriptive statistics result

Variables	Mean	Std. Dev.	Min	Max	Skewness	Kurtosis
EQ	0.094	0.087	0	0.560	1.849	8.070
BS	9.453	2.410	4	16	0.378	3.166
BI	0.655	0.112	0.380	0.91	-0.080	2.515
WD	0.133	0.117	0	0.5	0.869	3.336
BM	4.727	0.874	4	6	0.559	1.549
SIZE	9.960	0.202	9.626	10.273	-0.070	2.040
ROA	0.024	0.068	-0.099	0.126	-0.294	2.306
AGE	13.967	8.066	2	29	0.454	1.827

Source: STATA Output, 2021

Table 1 show that the average board size, as measured by the number of board members, was nine members, with minimum and maximum values of four and sixteen members respectively. These ratios are close to Wenhoa et al. (2020) findings of 5 and 17 for Chinese listed enterprises, and lower than Hassan et al. (2020) findings of 3 and 15 for Egyptian firms. This research demonstrates that the code of corporate governance for insurance companies (2009) rules for board membership was obeyed by most of Nigerian insurance firms. On the other hand, according to the NAICOM code of corporate governance of Nigeria, some of these companies have violated the requirement by having four (4) members on the board of directors, which is less than the minimum number of five (7), and by having sixteen (16) board members, which is more than the maximum number of fifteen (15). (2009). This indicates that some Nigerian insurance businesses have failed to meet the standards of the industry's Code of Corporate Governance (2009), which stipulated that the board should consist of no fewer than seven and nomore than fifteen members.

Also, the average level of board independence was 66 percent, with minimum and maximum values of 38 percent and 91 percent, respectively, as shown in Table 1. It means that some of the industry's sampled companies did not meet the minimum requirement of having at least 60% of their board members be independent, which is below the minimum requirement; however, others have about 91 percent of their board members be independent, which is above the minimum requirement. This percentage is greater than Arif's (2019) findings, which showed 22 percent and 67 percent for Pakistani Listed Insurance Companies, respectively. In addition, Table 1 reveals that Women Directorship had a mean of 13%, indicating that on average 13% of the board members of the selected companies were women, with a minimum of 0% and a high of 50%.This is lower than the 91 percent reported by Akpotor et al. (2019) in some chosen Nigerian companies. According to the findings, some corporations have 100% male board members, whileothers have 50% female board members. The NAICOM Code of Corporate Governance does notrequire a corporation to have women on its board of directors; however, diversity of board members is advocated. The table also reveals that, on average, the boards of the selected companies held five meetings every financial year, with values of four and six. When compared to Hassan et al. (2020), who reported that the maximum number of meetings held by Egyptian enterprises was 15 times, this result is lower. The standard deviation of 0.87 reveals that the number of meetings held by the firms varied over time. This indicates that Nigerian insurance firms followed the NAICOM Code of Corporate Governance (2009), which stipulated that the board should meet at least four times annually.

4.2 Correlation Result

Table 2 shows the correlations between the IV's and the DV. The table depicts the relationships between all of the pairs of variables in the regression model, as well as the relationships between all of the explanatory variables and the explained variable, as well as the relationships betweenall of the independent variables. This provides information on the size of the independent variable pairs.

Table 2. Spearman Correlation Matrix

VARIABLES	EQ	BS	BI	WD	BM	SIZE	ROA	AGE	VIF
EQ	1.000								
BS	-0.222	1.000							1.24
BI	0.120	0.048	1.000						1.15
WD	-0.024	-0.268	-0.075	1.000					1.09
BM	-0.122	0.247	0.281	-0.071	1.000				1.18
SIZE	-0.139	0.166	0.226	0.147	0.249	1.000			1.08
ROA	-0.161	-0.005	0.035	0.023	0.025	0.191	1.0000		1.30
AGE	-0.054	0.055	0.126	0.038	0.027	0.201	0.152	1.0000	1.06

Source: STATA Output, 2021

The correlation coefficients between the dependent variable (EQ) and the explanatory variables are shown in Table 2. (Board Size, Board Independence, Women Directorship, Board Meetings, Size, ROA, and Age). The path of the association is indicated by the sign of the correlation coefficient (positive or negative). The correlation coefficient's absolute values show the strength of the association, with bigger values suggesting more significant relationships. Since each variable has a perfect positive linear association with itself, the correlation coefficients on the major diagonal are 1.00. The correlation coefficient between board size and EQ is -0.222, as shown in Table 2, which is not near to one. Also, the result shows that EQ correlates positively with board independence (BI) The table shows that women's directorship is negatively correlatedwith EQ, although the relationship is weak a coefficient of -0.024, which is far from 1. The tablealso shows that EQ correlates negatively with board meetings (BM), firm size, return on assets (ROA), and age in the Nigerian insurance companies, but the relationship is weak, as evident from the coefficient of -0.122, -0.139, -0.54, and -0.161, respectively.

Collinearity, is said to occurs when two or more predictors are correlated, and multicollinearity, which occurs when more than two independent variables or predictors are correlated, imply interdependence between the predictors or independent variables and, if large in magnitude, has a negative impact on the independent variables' predictive ability. A Variance Inflation Factor (VIF) test was used to found whether or not there was a collinearity problem, and the results showed that there was none. Because the variance inflation factor (VIF) test results range from a minimum of 1.06 to a high of 1.36, a VIF of 5.00 is considered evidence of nonexistence of collinearity (Barde 2009 and Samaila 2014). As a result, the link will have no effect on the independent variables' capacity to forecast. Hence this research established the absence of collinearity.

4.3 Regression Result

A regression model's goal is to figure out how an independent variable affects a dependent variable. To assess the accuracy of the linear fit to the model, the researcher calculated the coefficient of multiple as shown in the table below:

Table 3: OLS Regression

EQ	**Coefficients**		**Std. Errors**	**Z**	**P> IZI**
BS	-0.0075019		0.0031099	-2.41	0.017
BI	0.1410018		0.0659421	2.14	0.034
WD	-0.0425224		0.0626560	-0.68	0.498
BM	-0.0101360		0.0086090	-1.18	0.241
SIZE	-0.0341850		0.0379330	-0.90	0.369
ROA	-0.1885812		0.1045447	-1.80	0.073
AGE	-0.0002428		0.0008833	-0.27	0.784
Constant	0.47455530		0.3588253	1.32	0.188
R-square		11.70			
Adjusted R^2		07.35			
Probability		0.0121			
Source: STATA Output, 2021					

As a proxy for earnings quality, discretionary accrual (DA) was used. A negative association indicates lower earnings management, which leads to higher earning quality, and vice versa. Table 3 shows that the explanatory variables (BS, BI, WD, BM, SIZE, AGE, and ROA) examined by the model explain 12 percent of the change in EQ with a cumulative R2 of 0.117. Other variables not included in the model account for about 88 percent of the variation in the variable. It's also worth noting that the model is accurate (0.0121). This indicates that the entire model fits the level of variability between the dependent and explanatory variables.

At a 5% level of significance, the data show a negative and significant association between board size and discretionary accruals, with a negative Z value of -2.41 and a p-value of 0.017. Furthermore, the negative coefficient of -0.0075 shows that increasing the board size by one person while keeping all other variables constant will improve the quality of reported earnings ofNigerian listed insurance companies. This indicates that the board is monitoring the operations of the management in order to prevent earnings manipulation. It also supports the stakeholders' theory, which says the board should consist of many members as more members in the board lead to the reduction of earnings management. These findings is consistent with the findings of Fodio et al. (2013), Ibrahim (2013), Wali (2014), Lilian et al. (2016), Egbunike& Odum (2018), and Khan et al. (2019), who discovered that board size improved the level of earnings quality. But is contrary to that of Rahman & Ali (2006), Ahmed et al. ((2006), Salihi (2014) and Oyebamiji (2020), who revealed that larger board does not improve the quality of reported earnings. However, contrary to the position of Schrawat et al. (2019), Tunji et al. (2019), Al Azeez (2019), Hassan et al. (2020), and Daniel et al. (2020), who documented that board size does not determine earnings quality.

Table 3 further shows that, at a 5% level of significance, board independence, as defined by the proportion of independent directors on the board, is positively and significantly associated to discretionary accruals. With a positive coefficient of 0.1410, this is proven. Unfortunately, this implies that independent directors do not monitor or manage executive directors' excesses. As a result, they are unable to defend and protect the interests of shareholders and other stakeholders. Independent directors are not influenced by management and are capable of efficiently monitoring executive directors and increasing the quality of financial information provided to users (Ibrahim, 2013). Furthermore, the research shows that increasing the number of independent members on a board has a positive effect on the quality of earnings of Nigerian insurance companies. This could be because outside members aren't involved in the company's day-to-day operations; their presence, on the other hand, could serve as an effective monitoring tool for the board, resulting in higher-quality financial reports. Lilian et al. (2016), Fadizilah (2017), Schrawat et al. (2019), and Oyebamiji et al. (2019) have all shown similar results. They discovered a link between board independence and earnings management that was both positive and significant. Sukeecheep et al. (2013), Fodio et al. (2013), Ibrahim (2013), Wali (2014), Al Azeez (2019), Samaila (2014), Egbunike& Odum (2018), and Hassan et al (2020) on the other hand discovered that board independence has no effect on the quality of earnings.

Furthermore, women's directorship has a negative and insignificant connection with discretionary accruals at the quoted insurance companies in Nigeria. This suggests that board diversity has no impact on the reported earnings of Nigerian insurance companies. A p-value of 0.498 and a coefficient of -0.0425, respectively, support the conclusion. This result is consistent with Hashim et al. (2019) and Olum et al. (2019), but not with Shuaibu (2014), Abubakar et al. (2017), and Al Azeez et al. (2019). According to the authors, board diversity has a negative and significant impact on earnings management. But Hoang et al. (2014) discovered a significant positive effect of board diversity on the reported earnings quality.

Meetings of the board have a negative but statistically insignificant effect on financial reporting quality. The coefficient of -0.0101 and the p-value of 0.241 support this conclusion. Sukeecheep et al. (2013), Rajeevan &Ajward (2019), Al-mukit&Keyamoni (2019), Hassan et al. (2020), and Oyebamiji et al. (2020) disagree with this. This research suggests that frequently meeting boards do not make actions that increase the quality of reported earnings. They only meet to discuss matters unrelated to the reported earnings' quality. Al-Shammari (2010), Samaila (2014), Shuaibu (2014), and Mustapha et al. (2010) all disagree with the findings (2019).

5. Conclusions and Recommendations

The need of having an effective board of directors cannot over emphasized, because in corporations, the owners are usually kept distinct from the managers, even when the owners are part of the management (particularly the Board of Directors). The board of directors is in charge of regulating the company's operations and monitoring management's activities to ensure that the company's earnings are free of manipulation and of high quality. According to the findings, the size and independence of the board of directors have a significant impact on the earnings quality of Nigerian insurance companies. However, women's directorships and board meetings have no impact on the earnings quality of publicly traded insurance companies. Hence, the paper concludes that, based on the study's findings, board size is an important indicator of earnings quality, and that board attributes mechanism plays a crucial role in determining the earnings quality of Nigeria's listed insurance companies. Furthermore, board size is a crucial indicator of the earnings quality of listed insurance companies in Nigeria, as most of the industry's companiesfollow the NAICOM code of corporate governance 2009, which requires the appointment of a minimum of four and a maximum of fifteen board members. It illustrates that having a larger board reduces earnings management operations and hence enhances the quality of earnings.As the number of independent board members grows, however, board independence has a negative impact on the quality of reported earnings. This suggests that executive directors' excesses are not monitored and controlled by independent directors. As a result, they are unable to defend andprotect the interests of shareholders and other stakeholders. Based on the above conclusion the study suggest that Investors should pay attention to companies with a large number of directors, as per the NAICOM code of corporate governance, which specifies that the minimum number of board members should be 7 and the maximum number should be 15, guaranteeing that earnings manipulation is minimized. NAICOM shall guarantee that the terms of the code are fully observed in order to improve the quality of earnings of Nigeria's listed insurance companies, in order to have effective oversight by independent directors.

The research further suggests that more research be done on the same problem in a different sector or industry, and that other aspects of board structure and earnings quality attributes not included in this study be included.

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