



A Study Of The Effect Of Diversity In The Board And The Audit Committee Composition On Earnings Management For Low And High Leveraged Banks In Nigeria

Muhammad Aminu Isa^a

Musa Adeiza Farouk^b

^a Department of Accounting, Bayero University, Kano – Nigeria, maisa.acc@buk.edu.ng

^b Department of Accounting, Ahmadu Bello University, Zaria – Nigeria, musafarouk@yahoo.com

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Abstract

The study examines the effect of board diversity and audit committee on earnings management of listed Deposit Money Banks in Nigeria, for low and high leveraged Banks. Earnings Management is measured using Chang, Shen and Fang (2008) model. All the 15 banks listed in Nigerian Stock Exchange as at 2015 were used for the analysis. Data were obtained from the financial statements covering the period 2008-2015. Multiple regression technique was employed, while the tool of analysis is Stata 13. The findings revealed that, all the variables have significant effect on earnings management of banks except for women directors and board size under the low leveraged banks, while board ownership was also found to have weak impact on earnings management under the high leveraged banks. Meanwhile, the findings also revealed that the explanatory variables under the low explained earnings management better than high leveraged.