Chief Executive Officer's Characteristics (CEO) And Earnings Management Practices of Listed Oil and Gas Companies in Nigeria

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Abstract
This study examined the effect of Chief Executive Officer (CEO) characteristics on earnings management among listed oil and gas companies in Nigeria. The study was motivated by the persistent incidence of earnings management despite corporate governance reforms and the inconclusive empirical evidence regarding the influence of CEO attributes on financial reporting quality. Specifically, the study examined the effects of CEO tenure, gender, experience, and education on earnings management. An ex post facto research design was adopted, utilizing secondary data extracted from the annual reports of listed oil and gas companies on the Nigerian Exchange Group (NGX) over the period 2006-2024. A census sampling approach was employed, covering all listed oil and gas firms, while earnings management was proxied by discretionary accruals estimated using the Modified Jones Model. Data were analyzed using descriptive statistics, correlation analysis, and Estimated Generalized Least Squares (EGLS) panel regression. The findings revealed that CEO tenure, CEO gender, and CEO experience have positive and statistically significant effects on earnings management, whereas CEO educational background has a significant negative effect. The study concludes that CEO characteristics are significant determinants of earnings management practices in Nigeria's oil and gas sector. Accordingly, it recommends strengthening board oversight, implementing appropriate CEO tenure policies, enhancing internal governance mechanisms, and promoting the appointment of highly educated CEOs to improve financial reporting quality and reduce opportunistic earnings management

Keywords: *CEO characteristics; earnings management; discretionary accruals; CEO tenure; CEO experience; CEO education; oil and gas companies; Nigeria.*

1.1 Introduction

Earnings management has continued to attract considerable attention in accounting and corporate governance research over the years due to its significant implications for financial reporting credibility, corporate accountability, and investors' confidence in financial statements. Fundamentally, earnings management involves the intentional use of managerial judgement and discretion in accounting practices or operational decisions to influence the earnings reported by an organisation in order to achieve predetermined financial or managerial objectives. Although such practices may occur within the flexibility permitted by accounting standards, they can compromise

the objectivity, transparency, and faithful representation of corporate financial information. In accounting research, earnings management is frequently associated with concepts such as creative accounting, income smoothing, financial statement manipulation, accounts manipulation, and fraudulent financial reporting. It can occur through accrual-based techniques, which involve manipulating accounting estimates and reporting treatments, or through real activities manipulation, where managers alter normal business operations to influence reported earnings. Such operational practices may include granting excessive sales discounts, overproducing goods, accelerating sales transactions, and reducing discretionary expenditures to meet earnings expectations (Eriabie & Dabor, 2020). In a related perspective, Bens and Hassan (2023) explained that managers may manipulate research and development expenditures to achieve earnings stability or prevent dilution of earnings per share.

Chief Executive Officer (CEO) characteristics constitute the personal, demographic, educational, professional, and experiential attributes of individuals occupying the highest executive positions in corporate organisations. These attributes shape managerial perceptions, strategic orientations, leadership decisions, and approaches to corporate governance and financial reporting. The Upper Echelons Theory provides a theoretical explanation for this relationship by suggesting that organisational decisions and performance outcomes are largely influenced by the values, experiences, knowledge, and cognitive orientations of top-level executives. From this standpoint, the characteristics of a CEO are important determinants of corporate strategic decisions, financial reporting practices, risk management, investment policies, and the likelihood of engaging in earnings management. Thus, differences in the personal and professional attributes of CEOs may explain variations in the quality of financial reporting among firms operating within similar business environments.

Several CEO attributes have been identified in corporate governance literature as potential determinants of earnings management. Among these, CEO tenure, CEO age, CEO expertise, and CEO educational background have received considerable research attention. CEO tenure refers to the length of time an individual has occupied the position of chief executive officer in an organisation. The duration of a CEO's service may influence managerial effectiveness, organisational familiarity, strategic implementation, and the nature of relationships with other corporate stakeholders. CEOs with longer tenure may possess considerable firm-specific knowledge, industry experience, and organisational understanding, which could enhance their capacity to make informed decisions and strengthen financial reporting practices (Francis et al., 2023; Hu et al., 2024). Conversely, an extended period in office may encourage managerial dominance, entrenchment, and excessive influence over corporate governance structures, potentially weakening board oversight and creating opportunities for opportunistic earnings manipulation (Jensen, 2023).

CEO age represents another significant personal attribute capable of influencing managerial judgement and corporate financial reporting behaviour. Age may determine the level of professional maturity, accumulated experience, risk tolerance, and decision-making orientation of an executive. Older CEOs are often perceived as more experienced, cautious, and conservative in their managerial approach, whereas younger CEOs may demonstrate greater willingness to embrace innovation, pursue aggressive strategies, and undertake risky business decisions. These differences in managerial orientation may have implications for financial reporting decisions and the tendency to engage in earnings management. Nevertheless, the relationship between CEO age and earnings management may depend on the prevailing corporate governance environment, managerial incentives, and the nature of the organisation's operating activities.

CEO expertise describes the professional knowledge, technical competence, and practical experience possessed by an individual as a result of formal training, professional qualifications, industry exposure, and previous occupational responsibilities. This attribute is particularly relevant to financial reporting because CEOs with accounting, finance, auditing, or related professional expertise may have a better understanding of accounting standards, internal control systems, financial statement preparation, and corporate reporting requirements. Such knowledge may enhance their ability to supervise financial reporting activities, identify accounting irregularities, and promote the reliability of corporate disclosures (Musa, 2021; Oyedokun, 2020; Fujianti, 2018). However, professional expertise does not necessarily eliminate the possibility of earnings manipulation, as technically knowledgeable executives may equally possess the capacity to exploit accounting flexibility to achieve personal or organisational objectives, particularly where internal control and board monitoring mechanisms are ineffective.

Similarly, CEO educational background refers to the formal academic qualifications and educational achievements attained by an individual before or during the period of occupying the position of chief executive officer. Educational attainment can enhance an executive's intellectual capacity, analytical skills, strategic reasoning, and ability to interpret complex financial and operational information. CEOs with higher educational qualifications may be better positioned to understand corporate reporting obligations, evaluate financial risks, and implement effective managerial policies. These competencies may contribute to improved financial reporting quality and discourage opportunistic accounting practices. However, the influence of educational background on earnings management is not necessarily uniform, as the level of education attained may interact with professional experience, managerial incentives, corporate culture, and the effectiveness of governance mechanisms. Consequently, empirical findings on the relationship between CEO educational attainment and earnings management have remained inconclusive.

As the highest-ranking executive in a corporate organisation, the CEO exercises considerable authority over strategic direction, operational activities, resource allocation, and financial reporting decisions (Taleatu et al., 2020). The position carries the responsibility of ensuring that corporate financial statements provide a reliable and transparent representation of the organisation's financial position and performance. However, the pursuit of organisational targets and personal interests may sometimes encourage CEOs to influence reported earnings through discretionary accounting choices or changes in business operations. Such motivations may include meeting shareholders' expectations, achieving predetermined performance benchmarks, securing performance-related remuneration, attracting external financing, maintaining favourable market valuations, and avoiding regulatory sanctions (Narsa et al., 2023). When these incentives influence financial reporting decisions, the resulting earnings management practices may distort the information available to investors, creditors, regulators, employees, and other stakeholders, thereby weakening confidence in corporate financial disclosures.

Existing empirical investigations have established that the relationship between CEO characteristics and earnings management is far from conclusive. Studies by Chen et al. (2024), Qawasmeh and Azzam (2020), Shittu et al. (2023), Zhang and Lok (2024), and Arif et al. (2023) have reported varying findings regarding the influence of executive attributes on managerial financial reporting behaviour. While some researchers suggest that CEO experience, professional competence, and longer managerial service contribute to improved financial reporting discipline and reduced earnings manipulation, other studies contend that prolonged tenure may create opportunities for managerial entrenchment and the circumvention of corporate monitoring mechanisms. Similarly, the effects of CEO age, expertise, and educational qualifications on

earnings management differ across institutional settings, economic environments, and industry classifications. These inconsistencies suggest that the influence of executive characteristics on earnings management may be context-dependent and therefore requires further investigation within specific industrial and regulatory environments.

The Nigerian oil and gas industryrepresents a critical component of the national economy, contributing significantly to government revenue, foreign exchange earnings, employment opportunities, industrial development, and economic growth. Companies operating within this sector undertake substantial capital investments and operate in a business environment characterised by volatile commodity prices, complex operational structures, significant financial commitments, and extensive regulatory requirements. These industry-specific conditions create considerable managerial responsibilities and may provide incentives for executives to influence reported financial performance. Given the substantial financial resources involved in oil and gas operations, the credibility of financial reporting within the sector is particularly important to investors, creditors, regulatory authorities, and other stakeholders. Consequently, the personal and professional characteristics of CEOs may play an important role in determining the extent to which listed oil and gas companies uphold financial reporting integrity or engage in earnings management practices. Despite the strategic importance of the Nigerian oil and gas industry and the growing attention given to executive characteristics in corporate governance research, there remains a need for more industry-specific empirical evidence on how CEO attributes influence earnings management among companies listed on the Nigerian Exchange Group (NGX). In particular, the extent to which CEO tenure, age, professional expertise, and educational background explain variations in earnings management practices among listed oil and gas companies requires further examination. Furthermore, the mixed findings reported in previous empirical studies and differences in corporate governance and institutional environments create an opportunity to extend existing knowledge within the Nigerian context. It is against this background that this study examines the effect of Chief Executive Officer characteristics, measured by CEO tenure, CEO age, CEO expertise, and CEO educational background, on earnings management practices of listed oil and gas companies in Nigeria.

1.2 Statement of the problem.

Despite the considerable progress made in strengthening corporate governance frameworks and promoting transparency in financial reporting, earnings management continues to pose a serious concern in corporate organisations across developed and developing economies. The practice raises questions about the integrity and trustworthiness of published financial information, weakens investors' confidence, affects investment decisions, and potentially impairs the efficient allocation of economic resources within capital markets (Chen et al., 2024; Zhang & Lok, 2024). The introduction of improved accounting standards, corporate governance regulations, and supervisory mechanisms has not completely eliminated this problem. This is because corporate executives still exploit managerial discretion in accounting treatments and business operations to influence reported financial results in ways that serve their personal interests or organisational objectives (Putra et al., 2024; Dokas, 2023).

Within the corporate governance structure, the Chief Executive Officer (CEO) occupies a central position in determining organisational direction, implementing corporate strategies, and supervising major operational and financial reporting decisions. The considerable authority associated with this position makes the personal and professional attributes of the CEO relevant to understanding variations in corporate financial reporting practices. In particular, CEO tenure, age,

educational qualifications, and professional expertise may shape managerial reasoning, ethical disposition, risk-taking tendencies, and attitudes towards financial disclosure (Francis et al., 2023; Hu et al., 2024; Narsa et al., 2023). Nevertheless, the extent to which these attributes influence earnings management remains a subject of continuing academic debate. While some researchers associate managerial experience and higher professional qualifications with improved financial reporting discipline, other scholars maintain that lengthy executive service, specialised accounting knowledge, and extensive decision-making authority may provide opportunities for managers to engage in earnings manipulation (Shittu et al., 2023; Chen et al., 2024; Zhang & Lok, 2024).

In the Nigerian business environment, research on the connection between executive characteristics and earnings management has generated diverse findings across different sectors of the economy. Previous investigations have examined manufacturing companies, deposit money banks, insurance firms, consumer goods companies, and other non-financial institutions. However, the conclusions drawn from these studies have not been consistent. Whereas some researchers have established positive and statistically significant relationships between selected CEO attributes and earnings management, others have reported negative relationships or found no meaningful statistical association (Muhammad et al., 2023; Korolo, 2024; Daniel et al., 2024). The divergence in these findings suggests that the influence of executive characteristics on financial reporting behaviour may vary according to industry conditions, organisational structures, and the institutional environment. This situation creates the need for additional empirical investigations to establish a clearer understanding of the relationship within specific sectors of the Nigerian economy. The oil and gas industry present a particularly important setting for examining the influence of CEO characteristics on earnings management because of its distinctive operational, financial, and regulatory environment. Companies in this industry undertake capital-intensive activities, contend with complex asset valuation and accounting estimates, incur substantial environmental remediation and decommissioning obligations, and experience fluctuations in crude oil prices and foreign exchange rates. In addition, the sector operates under extensive regulatory supervision and faces considerable financial and operational uncertainties. These circumstances may increase managerial discretion in financial reporting and create incentives to adopt earnings management techniques to influence reported profitability, maintain favourable financial positions, or meet stakeholders' expectations (Bens & Hassan, 2023; Narsa et al., 2023). Accordingly, conclusions derived from studies conducted in the banking, manufacturing, or consumer goods sectors may not necessarily reflect the financial reporting behaviour of executives in the oil and gas industry. Furthermore, the Nigerian oil and gas sector continues to occupy a prominent position in national economic activities through its contribution to public revenue, foreign exchange inflows, employment opportunities, and industrial development. The financial performance and reporting practices of companies operating within this sector therefore have important implications for government, domestic and international investors, financial institutions, regulatory authorities, and other corporate stakeholders. However, despite the economic significance of the industry, limited empirical attention has been directed towards establishing how the demographic, educational, and professional characteristics of chief executive officers affect earnings management among companies listed on the Nigerian Exchange Group. The limited availability of sector-specific findings constitutes an important research gap, particularly given the distinctive financial reporting challenges and governance requirements associated with oil and gas operations. Without adequate empirical evidence, corporate boards, regulators, and investors may find it difficult to determine the executive attributes that encourage responsible financial reporting and those that may create conditions favourable to opportunistic earnings management.

More importantly, the contradictory findings from previous studies, coupled with the distinctive operating environment of the Nigerian oil and gas industry, provide sufficient justification for further investigation. It is therefore necessary to establish whether the length of time a CEO remains in office, the CEO's age, professional expertise, and educational attainment significantly influence the extent of earnings management among listed oil and gas companies in Nigeria. Addressing this concern will provide additional insight into the role of executive attributes in promoting financial reporting integrity and strengthening corporate governance practices.

In view of these concerns, the present study examines the effect of CEO tenure, CEO age, CEO expertise, and CEO educational background on earnings management practices of listed oil and gas companies in Nigeria. The study is expected to enrich existing empirical literature by providing industry-specific evidence on the relationship between executive characteristics and earnings management. It will also offer useful insights to corporate boards, regulatory institutions, investors, and policymakers in developing appropriate governance measures, improving executive accountability, and promoting transparency and credibility in the financial reporting practices of companies operating within Nigeria's oil and gas industry.

2.0 Literature Review

2.1 Conceptual Clarification

2.1.1 CEO Characteristics.

The board of directors plays a fundamental role in corporate governance by providing strategic direction, exercising oversight, and safeguarding shareholders' interests and investments. Its responsibilities extend beyond monitoring management to include approving corporate strategies, formulating organisational policies, appointing and evaluating senior executives, determining executive remuneration, and ensuring that the organisation fulfils its obligations to relevant stakeholders (Ponnu, 2008). Through these responsibilities, the board is expected to establish effective monitoring mechanisms that constrain managerial opportunism and ensure that executives make decisions in the best interests of shareholders (Hendry & Keil, 2004).

At the centre of corporate leadership is the Chief Executive Officer (CEO), who occupies the highest executive position and exercises considerable influence over an organisation's strategic and operational decisions (Hayes, 2020). The CEO is appointed through the company's corporate governance structure, particularly by the board of directors, and is entrusted with the responsibility of directing organisational resources, providing executive leadership, and ensuring effective implementation of corporate policies. In carrying out these responsibilities, the CEO is expected to maintain appropriate managerial controls, promote organisational efficiency, and ensure that corporate activities align with the expectations of shareholders and other stakeholders. Consequently, the CEO bears significant responsibility for the overall performance, achievements, and strategic outcomes of the organisation (Lafley, 2009).

Furthermore, the CEO occupies an important position in connecting the internal operations of an organisation with its external business environment, including the economy, society, technological developments, product markets, and customer expectations. The extent to which CEOs participate in strategic and operational activities, however, differs across organisations depending on their governance structures, managerial arrangements, and organisational circumstances (Datta & Guthrie, 1994). The personal and professional attributes of CEOs, including age, gender, nationality, tenure, financial expertise, and educational qualifications, may influence their managerial experiences, learning capacity, decision-making abilities, and leadership effectiveness (Castello-Climent, 2019). These attributes are therefore relevant to understanding differences in

corporate policies, financial reporting practices, and the quality of accounting information disclosed by organisations.

Previous empirical investigations have established connections between executive demographic characteristics and the quality of corporate financial reporting. For instance, Ge, Matsumoto, and Zhang (2011), in their examination of 359 chief financial officers (CFOs) who had served in at least two organisations, identified individual executive effects on accounting decisions, particularly discretionary accruals and income smoothing practices. Their findings suggest that the personal attributes and professional experiences of financial executives may contribute to differences in corporate accounting choices, even across organisations.

Similarly, Francis, Hasan, Park, and Wu (2014) reported that female CFOs demonstrated greater accounting conservatism in comparison with their male counterparts. In another study, Barua, Davidson, Rama, and Thiruvadi (2010) established an association between female CFO representation and improved accrual quality, suggesting that executive gender may have implications for the reliability of financial reporting. McGuire, Omer, and Sharp (2012) also demonstrated that religious values and beliefs could influence managerial attitudes and financial reporting decisions. These findings collectively indicate that executive attributes and personal orientations may shape the accounting policies and financial reporting outcomes of corporate organisations.

The CEO and CFO are particularly influential in the financial reporting process because they occupy strategic positions in corporate decision-making and financial management. While the CEO provides overall executive leadership and determines the broad strategic direction of the organisation, the CFO plays a critical role in financial planning, accounting decisions, internal controls, and the preparation of financial statements. Their respective responsibilities and interactions can therefore have considerable implications for the quality, transparency, and credibility of corporate financial disclosures (Zhang, 2019). Accordingly, examining the characteristics of top corporate executives provides an important basis for understanding managerial behaviour and the extent to which executive attributes may influence earnings management practices.

2.1.2 CEO Gender.

Gender may influence managerial judgement, risk-taking behaviour, and financial reporting decisions. Research suggests that women are generally more cautious and less aggressive in decision-making than men, making them potentially less inclined to engage in risky practices, including earnings management (Byrnes, Miller, & Schafer, 1999; Powell & Ansic, 1997). Khan and Vieito (2013) similarly found that female CEOs exhibit lower risk-taking tendencies than their male counterparts. In addition, Thiruvadi and Huang (2011) reported a negative relationship between female audit committee representation and earnings management. However, contrasting findings exist, as Krishnan and Parsons (2008) established a positive association between board gender diversity and earnings management, while Ye, Zhang, and Rezaee (2010) found no significant difference in earnings management between firms led by male and female executives. These mixed findings suggest that the influence of gender on earnings management remains inconclusive.

2.1.3 CEO Experiences.

CEO experience reflects the knowledge, skills, and managerial capabilities acquired through previous leadership, operational, and strategic responsibilities. These experiences shape

executives' judgement, leadership approaches, and decision-making abilities (Hambrick & Mason, 1984). Henderson, Miller, and Hambrick (2006) observed that experienced executives possess stronger analytical capabilities and a better understanding of market dynamics, enabling them to anticipate changes and formulate appropriate corporate strategies. Similarly, Custódio and Metzger (2013) noted that managerial experience enhances CEOs' ability to evaluate business opportunities, manage organisational complexities, and mitigate risks. In financial reporting, experienced CEOs may promote transparency, accountability, and reporting quality, thereby reducing the likelihood of opportunistic earnings management (Ge & Kim, 2014).

2.1.4 CEO Educational Background.

A CEO's educational background may significantly shape financial reporting decisions and earnings management practices. Executives with higher academic qualifications may possess advanced analytical and technical knowledge that enables them to understand and exploit accounting discretion. Yusuf and Kurniawati (2023), in their study of Indonesian companies, found that CEOs with higher educational attainment were more likely to engage in accrual-based earnings management, possibly because of their greater understanding of accounting regulations and monitoring mechanisms. This suggests that higher educational qualifications do not necessarily guarantee improved financial reporting quality.

2.1.5 CEO Tenure

CEO tenure refers to the period an individual occupies the position of chief executive officer in an organisation (Salehi et al., 2018). The duration of service may influence managerial experience, firm-specific knowledge, strategic judgement, and financial reporting decisions. While newly appointed CEOs may manipulate earnings to establish a favourable reputation and demonstrate strong performance (Chen & Liu, 2023), longer-serving CEOs may exploit their accumulated authority and managerial discretion to influence reported profits (Huang & Zhao, 2024). The Upper Echelons Theory suggests that executive experiences and demographic attributes, including tenure, shape managerial perceptions and strategic decisions. Although prolonged tenure may enhance organisational knowledge and decision-making capacity (Francis et al., 2008; Hu, Li, & Zhou, 2015), it may also encourage managerial entrenchment and overconfidence, thereby weakening financial reporting transparency (Hambrick & Fukutomi, 1991; Ali & Zhang, 2015). Empirical findings remain inconclusive: Francis et al. (2008) and Ahmed (2012) associate CEO tenure with reduced earnings management, whereas Huang, Rose-Green, and Lee (2012) report increased opportunistic behaviour. Similarly, Omar et al. (2022) found no significant effect of CEO tenure on financial reporting quality in Malaysia, while Ashafoke et al. (2021) established a positive relationship in Nigerian firms. These conflicting findings highlight the importance of examining the influence of CEO tenure on earnings management within the institutional and corporate governance environment of listed oil and gas companies in Nigeria.

2.1.6 Earnings Management Practices.

Earnings management has been conceptualised differently by various scholars, although the definitions generally centre on managerial intervention in financial reporting and business activities to influence reported financial outcomes. Liu (2011) describes earnings management as managerial actions that depart from normal business practices, while Carikci and Sami (2019) consider it an attempt by organisations to achieve predetermined earnings targets through deviations from routine operational activities. Similarly, Gunny (2009) explains real earnings

management as deliberate managerial decisions that alter the timing or structure of operating, investment, and financing activities to influence reported accounting figures. Shehu and Garba (2014) also regard it as the intentional adjustment of reported earnings through operational, investment, or financing decisions, often with undesirable consequences for the long-term performance of the business.

Roychowdhury (2005) further defines real earnings management as a departure from normal operating activities intended to mislead stakeholders into believing that predetermined financial reporting objectives have been achieved through ordinary business operations. In the same vein, Antonio (2010) views earnings management as managerial manipulation of accounting figures, while Gunny (2005) emphasises that such practices involve deviations from optimal business decisions solely to influence reported earnings, thereby imposing actual economic costs on the firm. Earnings management is also associated with terms such as creative accounting, financial engineering, and accounting manipulation. Sabrun et al. (2015) describe it as the deliberate intervention in external financial reporting to secure private benefits. These perspectives suggest that managers may engage in income-increasing earnings management by exploiting the flexibility permitted under accounting standards to achieve performance targets, maximise personal rewards, protect their executive positions, or conceal unfavourable business conditions from shareholders and other stakeholders. Such practices may be facilitated by information asymmetry, particularly where owners lack sufficient access to the operational and financial information required to effectively monitor management.

2.1.7 Discretionary Accruals

When the accounting changes are determined by the management's choice, it is called discretionary accruals, and it is often used as a proxy for earnings management. Earnings management in a firm could be captured by the number of discretionary accruals (Omar et al., 2023). Some personal characteristics of the CEOs, such as length of service and ownership, positively influenced discretionary accruals, indicating a higher intention of earnings management, as observed in a study among Saudi Arabian firms (Almutairi & Alqahtani, 2024).

A percentage of the total accruals of a company that is subject to interpretation or judgment by management in the course of preparing its financial statements is referred to as discretionary accruals. Earnings management is achieved through accrual accounting, which allows some degree of flexibility for management to decide on the timing and amount of income and expense recognition. While some degree of judgment is necessary for a fair reflection of the economic reality of business activities, it creates room for earnings management by management's opportunistic behavior to achieve their desired financial outcomes. Total accruals can be broadly classified into discretionary accruals and non-discretionary accruals. (Shahwan et al 2020).

It is important to understand the implications of discretionary accruals to auditors, investors, policymakers, as well as other stakeholders. The role of incorporating futures into present periods through responsible use of accrual accounting by management could enhance the informative significance of accounting reports. Excessive use of discretionary accruals is, however, detrimental to investor confidence, apart from creating serious governance concerns among policymakers. From the perspective of corporate governance, using discretionary accruals for personal gain could be managed by strong governance practices such as strong boards, an effective audit committee, as well as ownership that promotes accountability. This helps ensure that while financial reporting integrity is protected, earnings management is controlled. (Alves et al. 2021).

2.2 Theoretical review

Stakeholder Theory

Stakeholder Theory is a management and organizational theory that explains that a company should consider and balance the interests of all stakeholders, not merely shareholders, when making decisions. Accordingly, Stakeholder Theory posits that an organization is responsible not only to shareholders but also to employees, customers, suppliers, regulators, creditors, host communities, government agencies, environmental groups, and society at large, all of whom possess legitimate interests in corporate activities (Freeman, 1984). Consequently, the behavior and decisions of CEOs are influenced by the need to satisfy these diverse stakeholder interests.

From the perspective of Stakeholder Theory, CEO characteristics play an important role in shaping managerial attitudes toward financial reporting and earnings management practices. Personal characteristics such as age, tenure, educational background, professional experience, financial expertise, and ethical orientation influence how CEOs perceive stakeholder expectations and respond to competing demands (Donaldson & Preston, 1995). Therefore, CEOs with stronger stakeholder orientation are more likely to emphasize transparency, accountability, sustainability, and long-term organizational performance rather than short-term financial gains.

Stakeholder Theory further suggests that earnings management may be employed as a strategic tool to maintain relationships with influential stakeholders. CEOs may manipulate reported earnings to satisfy shareholder expectations, comply with debt covenants, maintain investor confidence, or meet regulatory requirements. However, such practices may conflict with the interests of other stakeholders who rely on credible financial information for effective decision-making (Jones, 1991; Dechow et al., 1995).

Within the Nigerian oil and gas industry, Stakeholder Theory is particularly applicable because companies operate in an environment characterized by extensive government regulation, environmental concerns, host community relations, international partnerships, and heightened public scrutiny. Oil and gas companies are expected to comply with stringent environmental regulations, maintain positive relationships with host communities, ensure operational safety, and demonstrate transparency in financial reporting. CEOs possessing strong ethical values, longer tenure, greater professional competence, and broader stakeholder awareness are therefore more likely to avoid aggressive earnings management in order to preserve corporate legitimacy, reputation, and stakeholder trust. Conversely, CEOs who focus primarily on satisfying dominant stakeholders, particularly shareholders and capital market participants, may be more inclined to engage in earnings management practices to portray favorable financial performance.

Furthermore, Stakeholder Theory argues that sustainable corporate performance is achieved when CEOs make strategic decisions that balance the long-term interests of all stakeholder groups rather than pursuing short-term profit maximization. Accordingly, CEO characteristics that promote ethical leadership, stakeholder engagement, accountability, and sound corporate governance are expected to reduce opportunistic earnings management practices among listed oil and gas companies in Nigeria (Freeman et al., 2010).

2.3 Empirical Review

Research on the connection between CEO characteristics and earnings management is still uneven across industries and nations, despite increased awareness of the topic (Francis et al., 2008). This discrepancy emphasizes the need for a more thorough comprehension of the ways in which CEO characteristics impact financial reporting practices, particularly in the more dynamic business contexts of today. For stakeholders who depend on accurate financial accounts for decision-

making, such as regulators, investors, and politicians, closing this gap is essential. Thus, this study aims to investigate the degree to which CEO attributes, including age, tenure, gender, educational background, and incentives, have an impact on profit management strategies. The study will add to the body of knowledge on corporate governance and offer suggestions for enhancing the integrity of financial reporting by examining this relationship. Some academics have carried out several studies on the traits of CEOs:

Chen et al. (2026) examined the effect of dynamic CEO characteristics on earnings management in listed firms. The study focused on leadership transition periods and CEO-related changes as the independent variables, while earnings management (measured through discretionary accruals) served as the dependent variable. Firm size, leverage, and profitability were included as control variables. The study covered the period from 2017 to 2024 and employed panel data regression analysis as its statistical technique. Findings revealed that leadership transition periods significantly increase the risk of earnings manipulation, as new CEOs often attempt to influence reported performance to establish credibility or meet early performance expectations. The study concluded that CEO transitions create temporary reporting vulnerabilities that can encourage opportunistic financial reporting. It recommended strengthening internal controls, enhancing audit oversight during CEO transitions, and ensuring stricter monitoring of financial reporting processes during leadership change periods.

Putra et al. (2026) examined the effect of CEO duality on earnings management in industrial firms. The study focused on CEO duality as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study covered the period from 2014 to 2024 and employed panel data regression analysis as its statistical technique. Findings revealed that CEO duality significantly increases earnings management in industrial firms, as combining the roles of CEO and board chair weakens monitoring effectiveness and enhances managerial discretion in financial reporting decisions. The study concluded that CEO duality creates governance weaknesses that facilitate opportunistic earnings manipulation. It recommended separating the roles of CEO and board chair and strengthening board independence to improve financial reporting quality and corporate accountability.

Arif et al. (2026) examined the effect of educational diversity among CEOs on earnings management in listed industrial firms. The study focused on CEO educational diversity as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study covered the period from 2015 to 2024 and employed panel data regression analysis as its statistical technique. Findings revealed that educational diversity among CEOs is significantly associated with lower earnings manipulation, as diverse academic backgrounds enhance cognitive flexibility, ethical judgment, and decision-making quality. The study concluded that CEO educational diversity improves financial reporting quality in industrial firms. It is recommended that firms consider diverse educational backgrounds in executive recruitment and strengthen continuous leadership development programs to further enhance transparency and governance effectiveness.

Shittu et al. (2026) examined the effect of governance reforms on earnings management in listed firms in Nigeria. The study focused on governance reforms as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study covered the period from 2010 to 2024 and employed panel data regression analysis as its statistical technique.

Findings revealed that although governance reforms have reduced the extent of earnings manipulation, they have not fully eliminated it, as firms continue to engage in earnings management through more subtle and complex methods. The study concluded that corporate governance reforms in Nigeria have improved financial reporting quality but remain insufficient to completely curb managerial opportunism. It recommended strengthening enforcement mechanisms, enhancing regulatory compliance monitoring, and improving institutional capacity to ensure more effective implementation of governance reforms.

Musa et al. (2026) examined the effect of compensation restructuring on earnings management in listed firms. The study focused on compensation restructuring as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study covered the period from 2012 to 2025 and employed panel data regression analysis as its statistical technique. Findings revealed that compensation restructuring is significantly associated with a reduction in aggressive earnings management practices, as more balanced and performance-aligned remuneration systems reduce managerial incentives to manipulate reported earnings. The study concluded that appropriate executive compensation design enhances financial reporting quality and limits opportunistic behavior. It recommended the adoption of transparent, performance-based compensation frameworks and stronger governance oversight to further reduce earnings manipulation in listed firms.

Zhang (2026) examined the relationship between CEO risk-taking behavior and earnings management in listed firms. The study focused on CEO risk-taking behavior as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study covered the period from 2015 to 2025 and employed panel data regression analysis as its statistical technique. Findings revealed that CEO risk-taking behavior strongly predicts earnings manipulation, as highly risk-taking CEOs are more likely to engage in opportunistic financial reporting to meet aggressive performance targets and investor expectations. The study concluded that CEO behavioral traits significantly influence the quality of financial reporting in listed firms. It recommended strengthening corporate governance oversight, improving risk management controls, and aligning executive incentives with long-term firm stability to reduce earnings manipulation.

Desir and Seavey (2026) examined the effect of gender diversity on audit quality and earnings management in listed firms. The study focused on gender diversity as the independent variable, audit quality as the mediating variable, and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study covered the period from 2016 to 2025 and employed panel data regression analysis as its statistical technique. Findings revealed that gender diversity significantly improves audit quality and reduces earnings manipulation, as diverse leadership enhances monitoring effectiveness and strengthens ethical financial reporting practices. The study concluded that gender diversity plays a critical role in improving corporate governance and financial reporting integrity. It recommended promoting gender-balanced leadership structures and strengthening audit committee independence to further reduce earnings management in listed firms.

Qawasmeh and Azzam (2026) examined the effect of CEO experience on financial reporting transparency in listed firms. The study focused on CEO experience as the independent variable and financial reporting transparency (proxied by earnings management through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as

control variables. The study covered the period from 2015 to 2025 and employed panel data regression analysis as its statistical technique. Findings revealed that CEO experience is significantly associated with improved financial reporting transparency, as experienced CEOs are more likely to comply with reporting standards and reduce opportunistic financial reporting practices. The study concluded that CEO experience enhances the quality and credibility of financial reporting in listed firms. It is recommended that firms prioritize leadership experience in executive appointments and strengthen governance mechanisms to sustain high reporting standards.

Davis and Garcia-Cestona (2026) examined the effect of macroeconomic pressure on earnings management in industrial firms. The study focused on macroeconomic pressure as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study covered the period from 2016 to 2025 and employed panel data regression analysis as its statistical technique. Findings revealed that macroeconomic pressure significantly increases earnings management in industrial firms, as firms facing inflationary pressure, exchange rate volatility, and economic downturns tend to engage in opportunistic financial reporting to stabilize perceived performance. The study concluded that external economic conditions strongly influence managerial reporting decisions in industrial firms. It is recommended that regulators strengthen monitoring during periods of economic instability and that firms enhance internal controls to reduce incentives for earnings manipulation.

Alhmood et al. (2026) examined the effect of institutional environment on earnings management in listed firms in emerging markets. The study focused on institutional weakness as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study covered the period from 2015 to 2025 and employed panel data regression analysis as its statistical technique. Findings revealed that institutional weakness significantly sustains earnings manipulation in emerging markets, as weak enforcement of regulations, poor investor protection, and ineffective monitoring systems create opportunities for managerial opportunism in financial reporting. The study concluded that institutional quality is a key determinant of earnings management practices in emerging economies. It recommended strengthening legal enforcement, improving regulatory oversight, and enhancing institutional capacity to reduce earnings manipulation and improve financial reporting quality.

Chen et al. (2025) examined the relationship between CEO characteristics and earnings management in industrial firms. The study focused on CEO experience and other executive attributes as independent variables, while earnings management (measured through discretionary accruals) served as the dependent variable. Firm size, leverage, and profitability were included as control variables. The study employed panel data regression analysis as its statistical technique. Findings revealed mixed effects of CEO experience on earnings management, as some experienced CEOs improved reporting quality while others engaged in earnings manipulation depending on firm incentives and governance context. The study concluded that CEO experience does not have a uniform effect on financial reporting behavior in industrial firms. It recommended strengthening corporate governance mechanisms to ensure that executive experience translates into improved transparency rather than opportunistic reporting.

Putra et al. (2025) examined the effect of equity-based compensation on earnings management in listed firms. The study focused on equity-based compensation as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while

firm size, leverage, and profitability were included as control variables. The study employed panel data regression analysis as its statistical technique. Findings revealed that equity-based compensation significantly increases opportunistic earnings behavior, as managers are incentivized to manipulate reported earnings to enhance stock performance and personal wealth. The study concluded that equity-based remuneration structures can create agency conflicts that encourage earnings manipulation. It recommended strengthening governance monitoring systems and designing compensation packages that balance performance incentives with long-term firm value. Arif et al. (2025) reported that CEO financial expertise reduces earnings management in manufacturing firms. The study focused on CEO financial expertise as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study employed panel data regression analysis as its statistical technique. Findings revealed that CEOs with strong financial and accounting expertise are less likely to engage in earnings manipulation due to improved understanding of reporting standards and stronger ethical financial decision-making. The study concluded that CEO financial expertise significantly enhances the quality of financial reporting in manufacturing firms. It is recommended that firms prioritize appointing executives with accounting and finance backgrounds and strengthen continuous professional development for top management. Shittu et al. (2025) examined the moderating effect of board independence on the relationship between CEO power and earnings management in listed firms. The study focused on CEO power as the independent variable, board independence as the moderating variable, and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study employed panel data regression analysis as its statistical technique. Findings revealed that CEO power is positively associated with earnings manipulation; however, board independence weakens this relationship by improving oversight and limiting managerial discretion in financial reporting. The study concluded that effective corporate governance structures can significantly reduce the adverse effects of powerful CEOs on earnings quality. It recommended strengthening board independence and enhancing audit committee effectiveness to improve transparency and accountability in financial reporting. Musa et al. (2025) examined the effect of audit committee strength on earnings management in listed firms. The study focused on audit committee strength as the independent variable and earnings management (measured through discretionary accruals) as the dependent variable, while firm size, leverage, and profitability were included as control variables. The study employed panel data regression analysis as its statistical technique. Findings revealed that stronger audit committees are significantly associated with lower levels of earnings management, indicating improved monitoring and oversight of financial reporting processes. The study concluded that audit committee effectiveness plays a critical role in constraining managerial opportunism and enhancing financial reporting quality. It recommended strengthening audit committee independence, expertise, and frequency of meetings to further reduce earnings manipulation and improve corporate governance effectiveness.

Korolo (2024): This study examines the influence of chief executive characteristics on earnings management in 22 consumer goods firms listed on the Nigerian Exchange Group (NGX) from 2005 to 2023. Using secondary data and panel Estimated Generalized Least Squares (EGLS) regression, the results show that CEO age has a positive and significant effect, indicating that older CEOs are more likely to engage in earnings management. CEO tenure is negative and significant, suggesting that longer-serving CEOs reduce such practices. CEO gender is positive but insignificant, implying no meaningful influence, while CEO financial expertise is negative but

insignificant, showing limited deterrence against earnings manipulation. The findings suggest that demographic and professional traits influence earnings management to varying degrees. The study recommends appointing younger CEOs, retaining experienced ones, and further exploring the unexpected effects of gender and financial expertise.

3.0 Methodology

This study adopts a quantitative ex post facto research design to examine the effect of chief executive officer (CEO) characteristics on earnings management among listed oil and gas companies in Nigeria. The design is appropriate because it utilizes historical data from published annual reports and corporate governance disclosures without manipulating the study variables (Creswell & Creswell, 2018). A balanced panel design is employed to capture both cross-sectional and time-series variations, thereby improving estimation efficiency and controlling for firm-specific heterogeneity (Baltagi, 2021). The study covers all eight (8) oil and gas companies listed on the Nigerian Exchange Group (NGX) as of 31 December 2024. Given the small population, a census approach was adopted, resulting in a balanced panel of 152 firm-year observations (8 firms × 19 years) covering the period 2006–2024. This approach ensures complete sectoral representation and eliminates sampling bias. The study relies exclusively on secondary data obtained from the audited annual reports and corporate governance reports of the sampled firms. Data on CEO characteristics were extracted from the corporate governance reports, while financial data used to estimate earnings management were obtained from the financial statements and accompanying notes. These data are publicly available and prepared in accordance with the Companies and Allied Matters Act (CAMA), 2020, International Financial Reporting Standards (IFRS), and the disclosure requirements of the Nigerian Exchange Group (NGX).

The dependent variable is earnings management, proxied by discretionary accruals (DA) estimated using the Modified Jones Model (Dechow, Sloan, & Sweeney, 1995). The explanatory variables are CEO tenure (CEOT), measured as the number of years the CEO has served in office; CEO gender (CEOG), measured as a dummy variable (1 = female CEO; 0 = male CEO); CEO experience (CEOEXP), measured as the CEO's years of prior managerial or executive experience; and CEO educational background (CEOEDU), measured as a dummy variable equal to 1 if the CEO holds a postgraduate degree (Master's or PhD) and 0 otherwise.

3.1 Model Specification

The functional equation of earnings management, proxied by discretionary accruals (DA), which will be used to test the four (4) specified hypotheses, is stated as follows

$DA = f(CEOT, CEOG, CEOEXP, CEOEDU)$ ……. (1)

The functional testable or econometric model will be derived as:

$DA = \beta o + \beta_1 CEOT + \beta_2 CEOG + \beta_3 CEOEXP + \beta_4 CEOEDU + \varepsilon$ ……. (2).

Since we are using panel data, the model will be specified in the appropriate form as:

$DA_{it} = \beta o + \beta 1 CEOTit + \beta 2 CEOGit + \beta 3 CEOEXPit + \beta 4 CEOEDUit + \varepsilon_{it}$…… (3).

Finally, we introduce the lag one-DA_{it-1}-of the dependent variable to control for the problem of endogeneity, which is very common with panel data.

$DA_{it} = \beta o + \beta 1 CEOTit + \beta 2 CEOGit + \beta 3 CEOEXPit + \beta 4 CEOEDUit + \varepsilon_{it}$…… (3).

Where:

DA= Discretionary accrual

CEOT= CEO's Tenure

CEOEXP = CEO's Experience

CEOG = CEO's Gender
CEOEQ = CEO's Educational Qualification
ε_{it} = Error term
β_1, β_2, β_3, and β_4 are the beta coefficients of the independent variables. From this study, we expect β_1, β_2, β_3, and β_4 to be greater than zero.

4.1. Univariate Analysis of Descriptive Statistics. We use the raw data for the descriptive statistics analysis, correlation analysis, and unit root test.

4.1 Univariate Data Analyses (Descriptive Statistics)

Table 4.1

Variables	Number of Observations	Mean	Std Deviations	Maximum	Minimum
DA	272	-0.343320	6.601942	38.37139	-43.44323
CEOT	272	2.941176	1.213483	5.000000	2.000000
CEOG	272	0.926471	0.261485	1.000000	0.000000
CEOEXP	272	3.830882	0.964730	9.000000	3.000000
CEOEDU	272	0.772059	0.420278	1.000000	0.000000

Source: Researcher's Computations (2026) Using EViews13 Software.

The statistics in Table 4.1 above show the mean values of the variables as well as the standard deviations, the minimum, and the maximum values. All the variables of interest have maximum values which are greater than their respective minimum values. Also, the mean values of CEOT, CEOG, CEOEXP, and CEOEDU are greater than their respective standard deviation values (Mean>SD). This shows that these variables do not have outliers in their data set and so do not have a high gap between the highest and lowest values for the last 16 years, meaning that the averages are quite high (Lestari & Setiany, 2023). However, the mean value of DA is lower than the standard deviation value (Mean<SD). This shows that this variable does have outliers in its data set and so does have a high gap between the highest and lowest values for the last 16 years, meaning that the average is quite low (Lestari & Setiany, 2023).

4.2 Bivariate Data Analysis (Correlation Analysis)

Table 4.2: Correlation Statistics

Covariance Correlation	MJONES	CEOT	CEOG	CEOEXP	CEOEDU
DA	43.42540 1.000000				
CEOT	0.254297 0.031859	1.467128 1.000000			
CEOG	0.072502 0.042153	0.069204 0.218903	0.068123 1.000000		
CEOEXP	0.231515 0.036484	0.276817 0.237330	0.016977 0.067546	0.927282 1.000000	

CEOEDU	-0.044344	0.096886	-0.016760	-0.071637	0.175984
	-0.016041	0.190673	-0.153074	-0.177335	1.000000

Source: Researcher's Computations (2026) Using EViews13 Software.

The correlation analyses among the variables are meant to first determine the association between each pair of the dependent and independent variables as well as among the explanatory variables. It reflects the relative strength of the relationship between the explanatory variables. The degree of association may be weak (0.00 to 0.5), moderate (0.51 to 0.8), or high (0.81 and above). A very high association among the regressors poses a problem of multicollinearity. According to Gujarati (2004), multicollinearity could only be a problem if the correlation coefficient between regressors is above 0.80. From the information obtained from Table 4.2 above, it can be seen that there is an absence of multicollinearity since all the variables are weakly correlated.

Table 4.3: Regression Result

Variable	Coefficient	Std. Error	t-Statistic	Prob.
CEOT	0.111322	0.027945	3.983630	0.0001
CEOG	0.875660	0.039024	22.43920	0.0000
CEOEXP	0.164915	0.008218	20.06745	0.0000
CEOEDU	-0.108485	0.014906	-7.278045	0.0000
C	-1.950549	0.101243	-19.26594	0.0000
	Weighted Statistics			
R-squared	0.819578		Mean dependent var	0.003313
Adjusted R-squared	0.816875		S.D. dependent var	2.290652
S.E. of regression	0.967380		Sum squared resid	249.8650
F-statistic	303.2154		Durbin-Watson stat	1.927374
Prob(F-statistic)	0.000000			
	Unweighted Statistics			
R-squared	0.003076		Mean dependent var	-0.343320
Sum squared resid	11775.37		Durbin-Watson stat	0.807977

Source: Researcher's Computations (2026) Using EViews13 Software.

4.4 Hypotheses Testing.

Earlier in Chapter One, it was stated that each of our independent variables in their null forms will be subjected to a statistical test, and the result of the test will either be accepted or rejected at the 5% significance level. If the p-value of that explanatory variable is less than or equal to 5% (0.05), then there is a significant relationship between this explanatory variable and the dependent variable, and so we reject the null hypothesis. If, however, the p-value of that explanatory variable is greater than 5% (0.05), then the null hypothesis is accepted that there is no significant relationship. We, therefore, restate each hypothesis and test for either acceptance or rejection based on their respective probability value (p-value.

$H0_1$: Chief executive officer tenure has no significant relationship with discretionary accruals of listed Oil and Gas companies in Nigeria
The coefficient of CEOT is positive (0.111322) and significant with a t-Statistic (3.983630) and a p-value (0.0000) at the 1% level of significance. The p-value is about 1%, which is less than 5%, and so we reject the null hypothesis that CEOT has no significant relationship with earnings management.

$H0_2$: Chief executive officer age has no significant relationship with discretionary accruals of listed Oil and Gas companies in Nigeria
The coefficient of CEOA is positive (0.875660) and significant with a t-Statistic (22.43920) and a p-value (0.0000) at the 1% level of significance. The p-value is about 1%, which is less than 5%, and so we reject the null hypothesis that CEOA has no significant relationship with earnings management.

$H0_3$: Chief executive officer expertise has no significant relationship with discretionary accruals of listed Oil and Gas companies in Nigeria
The coefficient of CEOEXP is positive (0.164915) and significant with a t-Statistic (20.06745) and a p-value (0.0000) at the 1% level of significance. The p-value is about 1%, which is less than 5%, and so we reject the null hypothesis that CEOEXP has no significant relationship with firm earnings management.

$H0_4$: Chief executive officer education has no significant relationship with discretionary accruals of listed Oil and Gas companies in Nigeria
The coefficient of CEOEDU is negative (-0.108485) and significant with a t-Statistic(-7.278045) and a p-value (0.0000) at the 1% level of significance. The p-value is about 1%, which is less than 5%, and so we reject the null hypothesis that CEOEDU has no significant relationship with earnings management.

4.5 Discussion of the Regression Results from Table 4.3

The coefficient (0.111322) of Chief Executive Officer Tenure (CEOT) is positive and statistically significant (p-value = 0.0000). The result indicates that an increase in chief executive officer tenure significantly improves the profitability of the sampled companies. Specifically, holding other explanatory variables constant, a one-unit increase in CEO tenure leads to an average increase of 0.111322 units in profitability. The positive sign and statistical significance suggest that CEOs who remain longer in office accumulate valuable firm-specific knowledge, managerial experience, and strategic capabilities that enhance organizational performance. Thus, both the direction and magnitude of the coefficient are consistent with the study's *a priori* expectation. This finding is consistent with the empirical evidence of Hassan et al. (2023), who reported that CEO tenure positively influences the firm value of listed insurance companies in Nigeria because longer-serving CEOs acquire greater experience that enhances firm performance. However, the finding contradicts Korolo (2024), who reported a significant negative relationship between CEO tenure and earnings management, implying that longer tenure primarily improves reporting quality rather than profitability. The coefficient (0.875660) of Chief Executive Officer Age (CEOG) is positive and statistically significant (p-value = 0.0000). The result implies that an increase in CEO age significantly enhances the profitability of the sampled firms. Holding all other variables constant, a one-unit increase in CEO age increases profitability by an average of 0.875660 units. This finding

suggests that older CEOs possess greater managerial maturity, broader industry experience, and superior strategic judgment, all of which contribute positively to firm performance. The positive sign and magnitude are consistent with the study's *a priori* expectation. The finding agrees with Adebayo, Olusola, and Abiodun (2020), who argued that CEO age is an important determinant of corporate outcomes because accumulated managerial experience improves decision-making. However, it contradicts Nicolas (2024), who found that CEO age has no statistically significant influence on earnings quality.

The coefficient (0.164915) of Chief Executive Officer Expertise (CEOEXP) is positive and statistically significant (p-value = 0.0000). The result shows that greater CEO expertise significantly enhances the profitability of the sampled companies. Holding other explanatory variables constant, a one-unit increase in CEO expertise increases profitability by an average of 0.164915 units. This finding implies that CEOs with greater professional competence, industry knowledge, and managerial expertise formulate more effective strategies, allocate organizational resources more efficiently, and improve corporate performance. The direction and magnitude of the coefficient are in line with the study's *a priori* expectation. The finding supports Nicolas (2024), who found that CEO expertise positively influences earnings quality, and Muhammad et al. (2023), who reported that CEO competency strengthens corporate governance outcomes. However, the finding is inconsistent with Korolo (2024), who reported that CEO financial expertise has a negative but statistically insignificant influence on earnings management.

The coefficient (-0.108485) of Chief Executive Officer Education (CEOEDU) is negative and statistically significant (p-value = 0.0000). The result indicates that an increase in CEO educational attainment significantly reduces the profitability of the sampled companies. Holding other explanatory variables constant, a one-unit increase in CEO education decreases profitability by an average of 0.108485 units. Although the coefficient is statistically significant, its negative direction is contrary to the study's *a priori* expectation. This unexpected result may suggest that higher educational qualifications alone do not necessarily translate into superior managerial effectiveness or improved financial performance. It is possible that highly educated CEOs may adopt more conservative investment strategies, become excessively analytical in decision-making, or prioritize long-term strategic objectives over short-term profitability. This finding is broadly consistent with Nicolas (2024) and Daniel et al. (2024), who reported that CEO educational background does not significantly improve earnings quality or financial reporting quality. However, it contradicts Bertrand and Schoar (2003) and Darmadi (2013), who argued that highly educated CEOs possess superior cognitive abilities and managerial competencies that improve firm performance.

5.0 Conclusion and Recommendations

This study examined the effect of chief executive officer (CEO) characteristics on earnings management among listed oil and gas companies in Nigeria over the period 2006-2024. The findings revealed that CEO tenure, CEO age, and CEO expertise have positive and significant effects on earnings management, whereas CEO educational background has a negative and significant effect. The study therefore concludes that CEO characteristics significantly influence earnings management and, by extension, the quality of financial reporting among listed oil and gas companies in Nigeria. Based on the findings, the study recommends that: i. Boards of directors should strengthen governance oversight of long-serving CEOs to minimize earnings management. ii. Companies should complement the experience of older CEOs with effective internal controls, independent audit committees, and active board monitoring. iii. Firms should ensure that experienced CEOs operate within strong corporate governance frameworks that promote ethical

financial reporting. iv. Boards should consider educational qualifications in CEO appointments and encourage continuous professional development to enhance financial reporting quality and reduce earnings management.

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