Economic Accountability and Corporate Financial Performance of Quoted Consumer Goods Firms in Nigeria

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Abstract: *The study evaluated the effect of economic sustainability accounting on financial performance of quoted consumer goods firms in Nigeria. The study used data from the Nigerian Stock Exchange from 2012 to 2021 with the support of ex post factor research design. The data analysis was done using panel data analysis techniques such as Fixed Effect Model, Random Effect Model, Pooled Ordinary Least Square, Hausman Test and Wald Test. The study found that, economic accountability has a positive but insignificant effect on earnings per share. Based on the findings, the study concluded that economic sustainability accounting is poorly practiced in the Nigerian manufacturing sector. Therefore, it is recommended that consumer goods firms in Nigeria should be economically accountable by always tailoring their activities towards impacting positively on the economic environment. For example, being socially and environmentally responsible will significantly boost the local and national economy which will in turn improve the companies' earnings-per-share.*

Key Words: *Corporate financial performance, Economic accountability, Earnings per share, Quoted consumer goods firms.*

INTRODUCTION

The governments, scholars, legislators, economists, researchers, and the general public have focused their attention on the performance of the nation's manufacturing industry and its long-term survival. The conclusion of these discussions may or may not have anything to do with the crucial part that industry plays in determining how successfully a nation achieves its macroeconomic objectives. The manufacturing sector, according to Kenny (2019), is regarded as a very important sector in an economy because of its ability to foster wide and efficient backward and forward linkages among other sectors of the economy, while Kayode (2000) described the manufacturing sector as the engine room for any economy.

According to Jahal (2018), corporate performance refers to how a company reports on its activities during the previous year. Corporate financial performance can be defined as an organization's degree of performance at a specific point in time, as evaluated by overall profits and losses or asset utilization. According to Iliemena and Okolocha (2019), the measures of financial performance of an organization are as varied as the motive for the measurement.

The justification for this study stems from the fact that numerous empirical studies that have investigated the relationship between economic sustainability accounting and financial performance have found that the results of these researches is ambiguous, inconclusive, or contradictory (Brooks & Oikonomou, 2018).

Most studies on sustainability accounting and reporting are focused on developed countries with others slanted to the oil and Gas industry in Nigeria. Other related inquisitions on the object of study have concentrated particularly on the environmental taxonomy of sustainability practices for manufacturing firms in Nigeria. To this extent, there is a dearth of empirical study on the effect of economic sustainability accounting on corporate financial performance of quoted manufacturing firms in Nigeria.

Therefore, this present study will be directed towards examining the effect of the cardinal pillars of sustainability accounting on the corporate financial performance of selected consumer goods firms in Nigeria and contribute to the evolving thought on the subject matter. For the purpose of this study, economic sustainability accounting is the independent variable (Asuquo *et al.,* 2018; Global Reporting Initiative, 2011). While corporate financial performance is defined using the financial statement-based approach of performance with earnings per share as measure (Norhasimah *et al.,* 2015) because of its dependability in measuring performance.

Therefore, the study will be directed towards examining the effect of the cardinal pillars of sustainability accounting on the corporate financial performance of selected consumer goods firms in Nigeria and contribute to the evolving thought on the subject matter. For the purpose of this study, sustainability accounting practices will be proxied using economic dimension (Asuquo *et al.,* 2018; Global Reporting Initiative, 2011; Elkington, 2004). While corporate financial performance is defined using the financial statement-based approach of performance with

earnings per share as measure (Norhasimah *et al.,* 2015) because of its dependability in measuring performance.

LITERATURE REVIEW AND HYPOTHESIS

Theoretical Review

This study adopted the political economy theoretical back bone for and against the inferences to be made in the study.

Political-Economy Theory

Gray *et al*. (1996) defined firm sustainability as "the social, political and economic framework within which human life takes place". Political-economy theory discusses the power conflicts that occur between society, politics, and economics. In the accounting context, Guthrie and Parker (1990) argued that accounting reports serve as social, political and economic documents. They act as a tool for building, sustaining and legitimizing economic and political issues which contribute to a firm's interests. Economic sustainability reporting has the power to convey economic meanings for multiple groups of stakeholders. According to this theory, firms decide what information to disclose in their sustainability reports, which contributes to the firm's interests and therefore leads to better performance.

Economic Accountability

More often question on sustainability has usually been addressed mostly in connection with ecological and social aspects with a usual tacit look at the economy. This same obvious bias towards the environmental and social impact may vividly be observed in various documentaries on sustainability development for example the Brunt land report emphasis, seems to revolve primarily around the environmental dimension. This conceptualization, off course may not be wrong but at least incomplete (David, 2015). The idea of sustainability is built on three cardinal pillars which are equally equal in weight and interrelated and thus be accorded equal attention; the society, economy and ecology. In reality, the relevance of each factor is defined by the outcome from the stakeholder's analysis and the analysis conducted by different interest organisations.

The sustainability impact of each organisation is different as well as the weighting of each dimensions of sustainability. Over the decade one of the most prominent standards in the field of sustainability has been the global reporting initiative (GRI) sustainability reporting guidelines. According to GRL, the economic aspect of sustainability is concerned with the company's impact on the economic conditions of its stakeholders and on economic systems at local, national and global level. It illustrates the flow of capital among different stakeholders and the main economic impacts of the entity throughout society.

Economic sustainability is the economic development that attempts to meet human needs in such manner that sustains natural resources and preserve the environment for future

generation. The economic sustainability being a subset of sustainability initiative cannot be isolated from the whole set. The ecosystem sustainability initiative is managing these resources in a way that they will not be depleted as such would remain available for future generation. Most of the harm to the environment such as natural resource depletion, pollution and landscape permanent changes are direct consequence of economic activities and most of the time the cost of these harms created by economic undertaken are not borne by those who create them but by other people who did not obtain benefit from the economic activities. The cost of these harms borne by those who did not consent to borne them is referred to as externality. The society and its sub system literary depend on the ecosystem. As the society become more industrialized so also will economic activities create more issues bordering on sustainability and survival of all.

The economic compartment also referred to financial bottom line measures the economic impact of business activities usually within a time scope. Economic accounting depicts the financial worth realised after all input expense including capital tied up are deducted. McGuire (1963) is of the view that the idea of social responsibility presupposes that the corporation has not only economic and legal obligations, but also certain responsibilities to society which extend beyond these obligations. It can be observed that social responsibility was initially regarded as responsibilities that extend beyond the legal obligation of the firm. Therefore, social responsibility begins where the law ends and it is a firm's acceptance of a social obligation beyond the requirement of law (Davies, 1960).

In this manner, it contrasts with traditional bookkeeping meaning of benefit. In the first instance, inside a supportability system, the benefit perspective should be seen as the genuine financial advantage that the society should be delighted in. It is the true monetary effect the entity has on its financial surroundings. This is frequently befuddled to be restricted to the inside benefit made by an entity. The unique sustainable approach cannot just be translated from the conventional accounting approach in addition to social and natural effects unless the benefits of different substances are integrated as a social advantage (Elkington, 1997).The economic dimension of sustainability measures the extent to which stakeholders, economic systems at local, national and global levels are affected by the organization's activities. The economic dimension consists of four major aspects: economic performance, market presence, indirect economic impact and procurement practices (GRI, 2013). In line with NCCG 2018 principle, total output (turnover) of the study firms is used as the measure of economic accountability because this has a direct or indirect bearing on the expenditure incurred on the local, national and international economy, apart from being one of the measures of national income.

Table 1 Economic Performance Statement

	STAKEHOLDER	VALUE ADDED	AMOUNT
1	**Customer**	Cash received by company for supply of products	
2	**Suppliers**	Cash payments outside the company for materials and services purchased	
3	**Company**	**value added** = (1) – (2)	
4	**Employees**	Total remuneration to employees (including wages and benefits)	
5	**Community**	Corporate social investment	
6	**Public sector**	Regulatory charges and taxes paid; subsidies and incentives	
7	**Investors**	Interest payments on borrowings + dividend Payments	
8	**Balance**	Monies retained in the organisation = (1-2) – (4+5+6+7)	
9	**Total**	= (4+5+6+7+8)	

Source: Adopted from the SIGMA Project (2003)

Business Case for Triple Bottom Line Accounting

a) Cost Saving: adopting sustainability practices is somewhat connected to cost savings. This is a reason why Walmart is the world" largest retailer by revenue. Saving resources saves money. Walmart's 100% renewable energy policy in 2005 (reported by Peter Maloney) has made it one of the largest store and low price retailer as it is committed in investing in renewable energy sources. This is why energy efficiency and waste reduction are two of the first areas that its businesses were focused on when it started conceiving thoughts about sustainability adoption. An important area where entities can leverage on to realize cost saving and boost performance that might not be readily apparent is in the area of reduction in cost associated with turnover.

Given the growing sustainability consciousness among stakeholders, a company can take advantage of this opportunity to expand its product line, dive into new markets, build brand loyalty, increase market share and revenue by consolidating on sustainable practices as stakeholders are willing to embrace a company that demonstrate genuine concern. Sustainability strategies can help businesses become more profitable.

b) Opportunity: Tremendous opportunities are open to businesses currently as the global community make shift from an outmoded industrial age business model to sustainable business paradigm. Entities have the opportunity of building new product and developing innovative ways of business operations.

c) Risk: Depending on the production of cheap product made from fossil fuels that are increasingly scared or raw materials that come from an area that will be affected by climate mutation can both pose problems for a business.

A business that looks at how it is depended on nature will be more likely to mitigate the risks by focusing on more sustainable option of operation and reducing its harmful impact on the society.

Corporate Financial Performance

The study adopts the financial statement based approach of performance. This is because a well designed and implemented financial management is expected to contribute positively to the creation of a firm's value (Kiringai, 2002). Dilemma in financial management is to achieve desired trade-off between liquidity, solvency and profitability (Lazaridis & Tryfonidis, 2006). The subject of financial performance has received significant attention from scholars in the various areas of business and strategic management. It has also been the primary concern of business practitioners in all types of organizations since financial performance has implications to organization's health and ultimately its survival. High performance reflects management effectiveness and efficiency in making use of company's resources and this in turn contributes to the country's economy at large (Naser & Mokhtar, 2004). There are various measures of financial performance. For example return on sales reveals how much a company earns in relation to its sales, return on assets determines an organization's ability to make use of its assets and return on equity reveals what return investors take for their investments. The advantages of financial measures are the easiness of calculation and that definitions are agreed worldwide.

The measures of corporate financial performance include but not limited to net profit, return on asset, return on equity, and earnings per share. But for the purpose of this study therefore, corporate financial performance shall be measured by earnings per share.

Earnings per Share

This is also one of the broadest measures of market performance. Earnings per Share (EPS) can be defined as a portion of a company's profit allocated to a person's share of the stock.EPS are also chosen because it will be worthwhile to ascertain how sustainability reporting affect shareholders returns. It is also the market prospect ratio used to measure the net income earned per share of stock outstanding and helps to show how profitable a company has become especially on the shareholder's basis. As an important variable, it is used to determine a share's price which in turn is utilized to calculate the price-to-earnings valuation ratio (Haniffa & Hudaib, 2006). To understand valuation, it is the process whereby the current worth of an asset or company is determined. There are so many techniques used to value a company and some of them include looking at the company management, the capital structure, future earnings and market value of assets.

EPS is an important financial measure to investors and traders. When it comes to calculating EPS, the weighted ratio should be used. This is because the number of shares outstanding is known to

change with time. Earnings per share are calculated in order to indicate each shareholder's proportionate share in the company's earnings. An absolute increase in net income is not, in itself, an adequate indicator because net income may go up as a result of increased investment (Nyabirambi, 2004). For example, a company may issue more shares for cash. The increased investment would be expected to generate additional earnings for the company, but for an individual shareholder, the real question is whether net income increased enough to compensate for the increased number of shares outstanding. If the proportionate increase in net income was less than the proportionate increase in outstanding shares, then earnings attributable to each share will decline. This is an example of earnings dilution (Chagbadari, 2011). Since EPS figures are so widely used in the financial community, and because companies might calculate EPS figures in different ways, accounting standard setters in many countries (as well as the IASC) have attempted to standardize the computation of EPS. In Canada, EPS calculations for public companies are governed by Section 3500 of the CICA Handbook.

This standard was revised in December 2000 to bring Canadian rules into line with U.S. and international standards, specifically FASB Statement 128 and IAS 33. It became effective since January 2001.There are 5 types of earning per share and they include:

Headline: This refers to the basis for measuring earnings per share where it accounts for profits and losses from operation, trading and interest activities. It covers those that have been discontinued or acquired at any point during the year. As a stringent measuring tool, it is used by investors to compare and contrast different companies according to methods of accounting for net income.

Pro forma: The word is derived from the Latin term "pro forma" meaning "for the sake of form". It also means "as a matter of form." In the investment world, pro forma is a method used to calculate financial results. It emphasizes on present and projected figures.

Cash Earnings per share: This is a measure of financial performance formulated by a company on per share basis. Cash EPS is different from basic EPS because it concentrates on net income of the company on per share basis. It is more important than other EPS values because it is said to be pure. Cash EPS is also better since the operating cash flow can never be manipulated easily when compared to net income.

Ongoing earning per share: This value is calculated based upon ongoing net income. This type of earning per share does not exclude anything. The purpose of Ongoing EPS is to locate the stream of earnings from the company's core operation. This is used to forecast future EPS values.

Reported EPS: It refers to the number achieved from generally accepted accounting principles. This value is usually reported to the SEC during filling. For a company to derive this value, accounting guidelines need to be followed. It is important for investors to read the footnotes to know which factors should be added in normal earnings and where to make adjustments in their calculations.

Empirical Literature Review

Quite a number of related topics have been researched in this area because economic sustainability has become an issue of interest to academia and the business world due to the increasing demand for sustainable business rehearses by stakeholders. Majority of studies conducted on this area has been directed mainly on specific dimensions of economic sustainability and corporate financial performance.

Andania and Yadnya (2020) investigated the effect of sustainability report disclosure on the financial performance of banks listed in Indonesia Stock Exchange (IDX) during the period of 2013-2016. The study focused on the effect of economic dimension (EcDI), environmental dimension (EnDI), and social dimension (SoDI) disclosures on financial performance. The dimensions of sustainability report disclosure were measured through indicators that have been developed which are in accordance with Global Reporting Initiative (GRI) G4 Index and the financial performance measured through Return on Assets (ROA). The study results revealed that the disclosure of the economic and social dimensions had a statistically significant effect on ROA while the environmental dimensions did not affect the ROA. This means that the banks listed in Indonesia Stock Exchange (IDX) give more priority to the economic and social dimension disclosure, than to the environmental dimensions.

Carlos *et al.* (2017) studied sustainability matter and financial performance of companies. This research employs the fuzzy-set qualitative comparative analysis (fsQCA) and offers new evidence on the relationship between both types of performance in a sample of companies listed in the Spanish capital market. Financial performance is measured by the return on equity (ROE) ratio, variable that is widely used in Finance and Accounting related research. The corporate performance of thecompanyismeasuredbyitsinclusionornotinthesustainabilityindexused as reference for the Spanish capital market, the FTSEGood4 IBEX. The model also incorporatesotherbusinessvariablesthatmightaffecttherelationshipsbetweenbothtypesofperformance, such as return on assets (ROA) ratio, company size, debt ratio, and industry. The results suggest that, for specific industries, return on assets is a necessary condition for companies with leverage to reduce the cost of debt due to their sustainability profile and consequently boost their ROE.

Amacha and Dastane(2017) researched the relationship between sustainability practices and performance in a financial sense for Malaysian Oil and Gas sector. Objectives include to study the state of sustainability disclosure among Malaysian oil and gas companies, to understand if companies that practiced sustainability had better performances to their financial bottom-line and to conduct a data analysis to understand the relationship between Environmental, social and governance performance (represented by the acronym ACSI) and financial performance. Sustainability performance is measured using ACSI checklist, which is an adaptation of the GRI

3.0 by Global reporting initiative while financial performance was measured on financial and profitability parameters namely EBITDA, EPS and PE ratio. Secondary data sources are used which were then converted into a rating scale to develop quantitative data. SPSS 21 is used for the analysis. The result shows that the majority of oil and gas companies in Malaysia had poor performance in terms of sustainability disclosure. On all three chosen profitability parameters, the companies that practiced sustainability were found to perform better than their counterparts that did not. Strong and significant relationship exists between sustainability practices and better financial performance.

Onder (2018) studied the impact of sustainability performance of company on its financial performance. The aim of this study was to investigate the effect of institutional sustainability, the reflection of cyclical economy concept at the macro level on business organizations, on profitability through the organizations in Turkey. For this reason, Multiple Linear Regression Analysis was applied with the data of 33 business organizations preparing sustainability report according to Global Reporting Initiative (GRI) and located in Istanbul stock exchange (BIST). In this study, in which business organization profitability was measured by Return on Assets (ROA), sustainability was measured with five different variables including Overall Sustainability Rating and Community Employees, Environmental and Governance Performance Rating which are subtitles. In this study, two different models were used considering sustainability measurement (from both main topics and subtopics). After the analysis, it was found out that sustainability applications in Turkey affected profitability statistically significant and positive way. It was found out that this effect of sustainability resulted from the environmental applications of the business organization and environmental factors positively affected business organization profitability.

From the review of literature, the following research model was designed:

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┌──────────────────────────────────┐
│ ┌──────────────────────────────┐ │              ┌─────────────────────────┐
│ │ Economic Accountability      │ │              │  Corporate Financial    │
│ │ • Economic Performance       │ │─────────────▶│  Performance            │
│ │ • Market Presence            │ │              └─────────────────────────┘
│ │ • Indirect economic impact   │ │                          │
│ │   and procurement practices  │ │              ┌───────────┴─────────────────┐
│ └──────────────────────────────┘ │              │ ┌─────────────────────────┐ │
│                                   │              │ │ Earnings per Share      │ │
│                                   │              │ │ • Proportion of a firm's│ │
│                                   │              │ │   profit allocated to a │ │
│                                   │              │ │   share                 │ │
│                                   │              │ │ • Determine a share     │ │
│                                   │              │ │   price                 │ │
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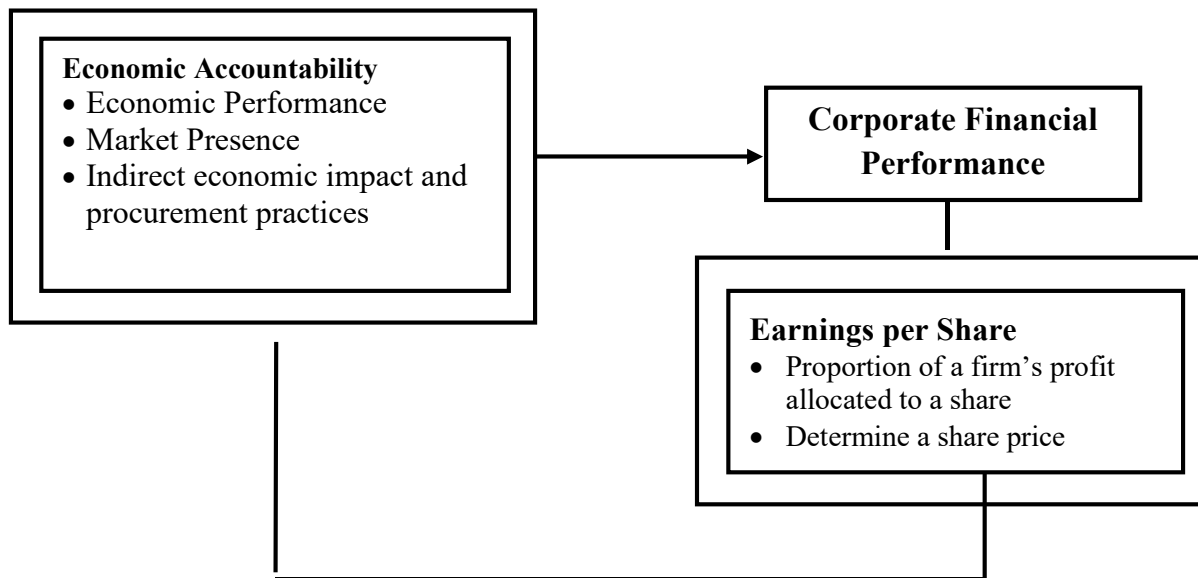
Sources: Utile *et al* 2017, Caesaria and Basuki, 2017, Najul, 2018, Norlasimah, 2015

From the research model, the following hypothesis was formulated:

Ho₁: Economic accountability does not have any significant influence on earnings per share of selected quoted consumer goods firms in Nigeria.

RESEARCH METHODOLOGY

This study adopted both qualitative and quantitative strategy otherwise referred to as mixed methods. The study adopted ex-post factor design approach, and also made use of content analysis for data collection. The population of the study is made up of all the twenty one (21) quoted consumer goods firms on Nigerian Stock Exchange, that reported consistent sustainability information covering eight years (2012-2021), World Bank, United Nations, journals, text books, internet resources and seminar papers.

The panel data method was used because the method enables companies' performance in the sample to be assessed over time, by analyzing observations from several consecutive years for the same companies. The regression model took the form of the Fixed Effects Model, Random Effects Model and the Pooled Ordinary Least Square (OLS) model. In order to establish the most appropriate regression model with the highest explanatory power, that is better suited to the data set employed in the study i.e. a balanced panel (Greene, 2003; Chen, 2004; Salawu, 2007), the researcher will carry out Hausman Test and Wald Test.

The regression model is thus stated as: $Y_{it} = \alpha_0 + \beta_1 x_{it} + \mu_{it}$. Where: $\mathbf{y_{it}}$ is the criterion variable, $\boldsymbol{\alpha}$ is Constant term for the criterion variable and $\boldsymbol{\mu}$ the random disturbance term. $\mathbf{X_{it}}$ are the predictor variables with $\boldsymbol{\beta}$ as the regression coefficients for the independent variables.
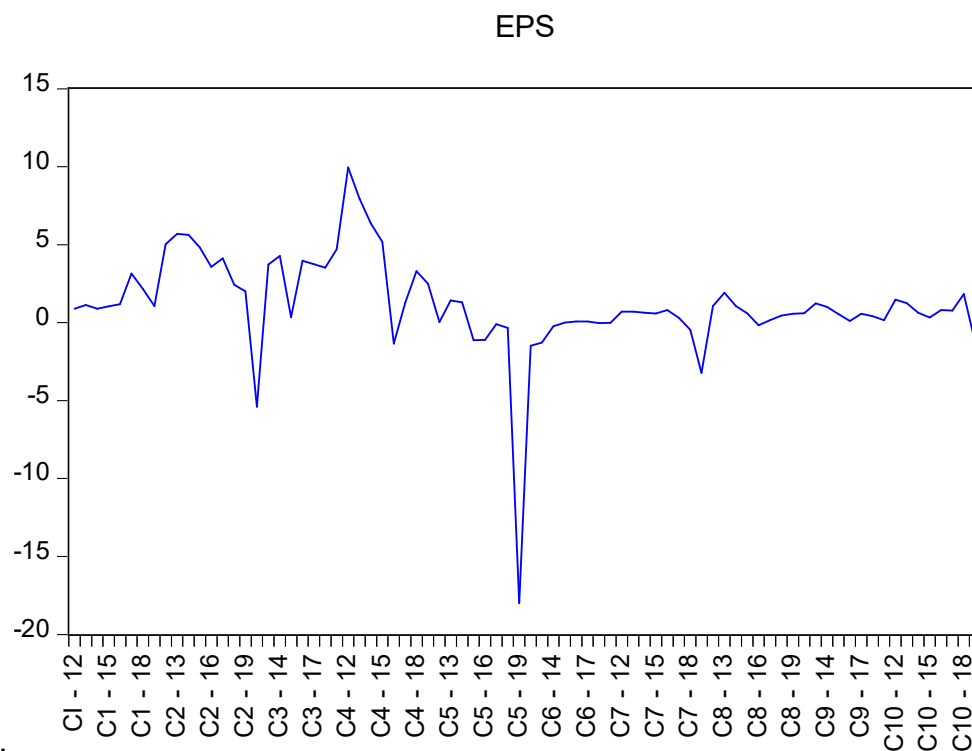
Figure 1. Earnings Per Share for the Studied Period from EViews Output

The data seems to be stationary since the plot reverses to the mean. In order to make sure the series panel data are stationary or not we need to run a unit root test.
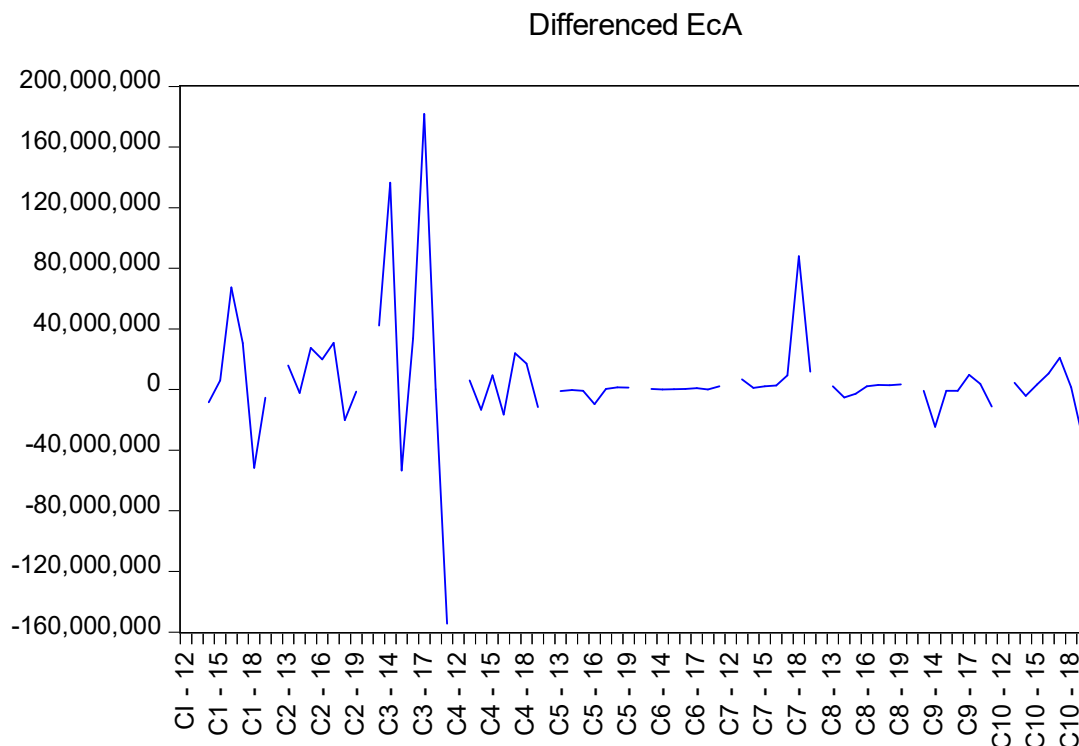
Differenced EcA

Figure 2. Economic Accountability for the Studied Period from EViews Output

EcD is not stationary at level form, but has been converted to its first difference form. The data seems to be stationary at first difference form. In order to make sure the Series panel data are stationary or not we need to run a unit root test.

Unit Root Test for Stationary using Augmented Dickey Fuller

The unit root tests using Augmented Dickey Fuller is carried out to actually confirm the stationary of the data as also shown by the graphic results above. The results are presented below:

Table 1: Unit Root Test Results Presentation

EPS	0.0000	Level form	-21.6953	Reject	Stationary
EcA	0.0000	1st Difference	-3.99393	Reject	Stationary

Under this test, the null hypothesis is that the series has a unit root. From the Table 1 above, for EPS, since the P-value of 0.0000 with ADF result of -21.6953   is less than 0.05, we reject the null hypothesis. Meaning that EPS is stationary at level form. See appendix 1. While for EcA, since the P-value of 0.000 with ADF result of -3.99393 is less than 0.05, so we reject the null hypothesis meaning that EcA is stationary at first difference form.

Descriptive Analysis and Preliminary Tests

EPS has a mean of 1.152025, a median of 0.810000, standard deviation. While EcA has a mean of 1.1208, a median of 60004119, standard deviation 1.2408. For the measures of normality**,** kurtosis measures the peakness and flatness of the distribution of the series. A kurtosis of 3 indicates a normal distribution (mesokurtic). Positive kurtosis (peak curve) indicates that there are higher values than the variable mean (leptokurtic). While a negative kurtosis (flat curve) indicates that there are lower values than the variable mean (platykurtic). In the Table 3 below, it is Leptokurtic. EPS and EcA have a kurtosis of 18.16652, and 4.640929 respectively.

Skewness measures the asymmetry of the series**.** Normal skewness has a 0 skew which its distribution is symmetric around its mean. For a positive skewness, the distribution has a long right tail indicating that there are higher values than the sample mean. While a negative skewness: the distribution will have a long left tail indicating that there are lower values than the sample mean. Therefore in Table 2, EPS has a negative skewness of -2.275646. EcA has a skewness of 1,494392.

Jarque Bera test measures the difference between the skewness and kurtosis of the series with those of the normal distribution. The null hypothesis of Jarque Bera test states that the distribution is normal. So a Jarque Bera value of 825.3443 for EPS, and p-value of 0.000000. Since the p-value is less than 0.05, the null hypothesis will be rejected. While for EcA, Jargue Bera is 38.26718 and p-value is 0.00000.The null hypothesis of Jargue Bera will be rejected since p-value is less than 0.05.

Table 2: Descriptive Statistics Result

	EPS	ECA
Mean	1.152025	1.1208
Median	0.810000	60004119
Maximum	9.950000	5.25E+08
Minimum	-18.00000	979038.0
Std. Dev.	3.206586	1.2408
Skewness	-2.275646	1.494392
Kurtosis	18.16652	4.640929
Jarque-Bera	825.3443	38.26718
Probability	0.000000	0.000000
Sum	91.01000	8.83E+09
Sum Sq. Dev.	802.0113	1.21E+18
Observations	79	79

Test of Hypothesis

Model One

Table 3: Random Effect Model When EPS is the Dependent Variable and EcA is the Independent Variables

Dependent Variable: EPS
Method: Panel EGLS (Cross-section random effects)
Date: 07/27/21   Time: 03:15
Sample (adjusted): 2012 2021
Periods included:
Cross-sections included: 10
Total panel (unbalanced) observations: 68
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.547760	0.636221	0.860958	0.3925
SOA	4.41E-09	6.05E-09	0.728394	0.4690
DECA	4.22E-09	8.53E-09	0.494281	0.6228
ENA	1.96E-07	1.20E-07	1.629972	0.1080

	Effects Specification			
			S.D.	Rho
Cross-section random			1.482225	0.2354
Idiosyncratic random			2.671272	0.7646

	Weighted Statistics			
R-squared	0.071395	Mean dependent var		0.651180
Adjusted R-squared	0.027867	S.D. dependent var		2.680791
S.E. of regression	2.641178	Sum squared resid		446.4527
F-statistic	1.640193	Durbin-Watson stat		1.120914
Prob(F-statistic)	0.188861			

	Unweighted Statistics			
R-squared	0.152139	Mean dependent var		1.132353
Sum squared resid	557.6357	Durbin-Watson stat		0.897423

EcA has a coefficient of 4.22 x 10^{-9} and a p-value of 0.6228. This means that EcA does not have a significant effect on the EPS. The R-Square value which determines the fitness of the model is

0.071395 (7.1%). This implies that the independent variable has 7.1% effect on the dependent variable.

DISCUSSION OF FINDINGS

The study examined the effect of economic sustainability accounting on corporate financial performance of quoted consumer goods firms in Nigeria. To accomplish this mission, the study adopts one predictor variable against one criterion variable. The predictor variable is economic accountability, while criterion variable is earnings per share. The study follows a systematic and logical process in analyzing and discussing the findings of the hypothesis formulated by the adoption of panel data analysis techniques with one model designed to capture the variables of study.

From the result of the model output, economic accountability has a coefficient of 4.22×10^{-9} and a p-value of 0.6228. P-value is more than the level of significance of 0.05. Thus the null hypothesis will be accepted. This means that economic accountability does not have a significant effect on the earnings per share of quoted consumer goods firms in Nigeria. The R-Square value which determines the combined fitness of the model is 0.071395 (7.1%). This implies that the independent variable, economic accountability has 7.1% effect on the dependent variable of earnings per share of quoted consumer goods firms in Nigeria. This is supported by Ufuegbu and Asogwa (2020) whose findings suggest that economic and social performance has an insignificant positive impact on both earnings per share. This is also corroborated by Ndukwu and Nwakanma(2017) that found no significant relationship between earnings per share and corporate sustainability reporting.

CONCLUSION AND RECOMMENDATION

In view of the discoveries made in this study which revealed statistical insignificant but positive effect of the predictor variable on the criterion variable, the study concluded that economic accountability of consumer goods firms in Nigeria is still at the infant stage, and thus plays an inconsequential role on their corporate financial performance. This accounts for the reason why the manufacturing sector known to be critical to economic growth and development all over the world, has a malfunctioning engine in Nigeria with its resultant consequences of poor contribution to GDP, rising unemployment rate, high inflation rate, ever-increasing suffering index, growing maternal mortality rate, escalating insecurity and pervasive poverty level in the land, among others.

The study therefore recommends that, consumer goods firms in Nigeria should be economically accountable by always tailoring their activities towards impacting positively on the economic environment. For example, being socially and environmentally responsible will significantly boost the local and national economy which will in turn improve the companies' earnings-per-share.

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APPENDIX 1

Panel unit root test: Summary
Series: SOD
Date: 07/20/21   Time: 12:38
Sample: 2012 2021
Exogenous variables: Individual effects
Automatic selection of maximum lags
Automatic lag length selection based on AIC: 0 to 1
Newey-West automatic bandwidth selection and Bartlett kernel

Method	Statistic	Prob.**	Cross-sections	Obs
Null: Unit root (assumes common unit root process)				
Levin, Lin & Chu t*	-4693.58	0.0000	10	66
Null: Unit root (assumes individual unit root process)				
Im, Pesaran and Shin W-stat	-1204.82	0.0000	10	66
ADF - Fisher Chi-square	32.8969	0.0346	10	66
PP - Fisher Chi-square	37.2667	0.0109	10	69

** Probabilities for Fisher tests are computed using an asymptotic Chi
   -square distribution. All other tests assume asymptotic normality.