EFFECT OF INTEGRATED REPORTING QUALITY ON FINANCIAL PERFORMANCE OF LISTED CONSUMER GOODS COMPANIES IN NIGERIA

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Abstract

This study examines the effect of integrated reporting quality on financial performance among the listed consumer goods companies in Nigeria from 2014 to 2024. The study employed an ex-post facto research design. The sample of this study consisted of all 16 consumer goods companies listed on the Nigerian Exchange Group (NGX) and remained listed as of 31st December 2024 through the census sampling method. The secondary data was derived from the annual reports and accounts through content analysis. Data for the dependent variables were extracted from the financial statements of the sampled consumer goods companies from 2014 to 2024. Data for integrated reporting quality (IRQ) was obtained from the MachameRatios Database. These descriptive and inferential statistics with structural equations modelling (SEM) were adopted for data analysis. The findings based on the analysis of data found that integrated reporting quality (IRQ) has a significant effect on Tobin's Quotient (TQ), market price per share (MPS), and earnings per share (EPS) for listed Nigerian consumer goods companies. It was concluded that integrated reporting quality has a significant negative effect on the financial performance of listed consumer goods companies in Nigeria, confirming the need for increased reporting. The study recommended, among others, the need for companies to make integrated reporting mandatory, as it has shown that it can influence financial performance. Also, managers should monitor their costs of providing this additional information, as research has shown that IRQ has a negative effect on financial performance.

Keywords: *Integrated Reporting Quality, Tobin's Quotient, Market Price Per Share, Earnings Per Share*

1.0 INTRODUCTION

Financial performance refers to the effort of a company to generate profits, manage costs, and efficiently utilise resources to meet its financial goals. It shows that a company is financially sound as well as operationally efficient. In the context of consumer goods companies, financial performance reflects how well these companies efficiently manage their resources to generate profits, reduce costs, and meet financial targets. Financial performance may be influenced by several factors, including capital structure decisions, liquidity management, and financial report disclosure that signals information to the market as well as firm characteristics.

One way of improving financial performance is through increased information disclosure. Improved reporting enhances financial performance by providing better insights, supporting informed decision-making and promoting transparency and accountability. Such disclosure is necessary because companies the world over have faced dwindling fortunes in terms of financial performance for decades and centuries. Globally, the financial outlook has highlighted that the traditional corporate reporting framework is deficient and inadequate, as financial statements poorly capture the effect of reporting on corporate performance (Adhariani & de Villiers, 2018; Kilic & Kuzey, 2018). Such information has made the financial statements produced by companies, including those in Nigeria, fall short of investors' expectations, showing that financial performance has fallen in different climes, necessitating the examination of various reasons that have propelled the poor performance of companies globally. In this study, the quality of integrated reporting has been identified as an important factor responsible for poor corporate performance and failures that need empirical investigation.

In a period characterised by heightened consciousness regarding the environment and society, corporations are facing growing scrutiny over their wider effects on society and the environment. Various stakeholders, including investors, customers, and regulatory organisations, are increasingly advocating for enhanced levels of transparency and responsibility from corporations with regards to their non-financial performance. Integrated Reporting (IR) has become a crucial instrument for companies to convey their comprehensive value generation, which includes financial results as well as environmental, social, and governance (ESG) performance. The significance of IR cannot be overstated, as it has a profound impact on stakeholders' perceptions, investment choices, and the overall sustainability policies of corporations. The main objective of integrated reports is to furnish stakeholders with a thorough and unified account that facilitates their comprehension of how an organisation's strategy, governance, and operations contribute to its sustained value generation, while considering its non-financial issues such as societal and environmental impacts. These reports provide a comprehensive understanding on a company's success, beyond the conventional method that exclusively emphasises financial data and adopts a more nuanced viewpoint.

The prevalence of IRQ is increasing, but there are still discrepancies in the level of quality exhibited by stated businesses in their use of IR. This is why Vitolla et al., 2019 remarked that firms are known for producing extensive and informative integrated reports, whilst others are inclined to offer basic disclosures that lack depth and relevance. The diversity in quality of IR gives rise to crucial inquiries as regards the differing implications of these disparities in reporting quality. The examination of these inquiries is crucial for comprehending the way IR may effectively achieve its desired objective of augmenting corporate transparency, accountability and sustainability. This has motivated the researchers to embark on this study that examines the effect of integrated reporting quality on financial performance of listed consumer goods companies in Nigeria. The study formulates the following hypotheses thus:

HO$_1$: Integrated reporting quality has no significant effect on Tobin’s Quotient (TQ) of listed consumer goods companies in Nigeria.

HO$_2$: Integrated reporting quality has no significant effect on market price per share (MPS) of listed consumer goods companies in Nigeria.

HO$_3$: Integrated reporting quality has no significant effect on earnings per share (EPS) of listed consumer goods companies in Nigeria.

2.0 REVIEW OF RELATED LITERATURE

2.2.1 Integrated Reporting Quality

Integrated reporting quality (IRQ) is the level to which integrated reports agree with all the accounting regulatory frameworks’ provisions, which is linked with the nature and type of the integrated reports (Supratiwi et al., 2022; and Pistoni et al., 2018). In the field of integrated reporting, Pistoni et al. (2018) developed a comprehensive measure of integrated reporting quality using the integrated reporting scoreboard (IRS) model, which contains the background, content, form, assurance, and reliability. Though so many attempts to define IRQ have been made by some scholars, no definition is yet generally accepted. As IRQ sometimes refers to the capacity of IR to present the strategic elements that describe the performance and value creation of a company change over time, a much broader perspective should be accepted for assessing the quality of an integrated report (Pistoni et al., 2018).

2.2.2 Financial Performance

Financial performance refers to the efficient and effective use of the company’s resources, which is more critical in the present business environment (Lyezia & Katamba, 2024). According to Cheng et al. (2014) and Naz et al. (2016), financial performance is a level at which the company achieves its strategic objectives and capital-related results, which reflects the industry's overall financial strength over time. This is an indication of efficient utilisation of resources by companies to increase profit, which in turn maximises stockholders' wealth. Although various types of indicators are used to measure a company's financial performance, including financial ratios, which are mostly applied by researchers in the accounting and finance field. There are two approaches to measuring financial performance, which are accounting-based and market-based. The market-based measures are favoured in this study because integrated reporting hopes to send signals to the market on the quality of information disclosed so that the market reacts to it. The market-based measures used in this study are Tobin's Q, market price per share and earnings per share, which are discussed below.

Tobin's Q (TQ): Tobin's Q is a financial ratio that matches company's assets' market value with the replacement cost of such assets, showing the growth opportunities and investment efficiency of the company (Tobin, 1969). It is a traditional measure of expected long-run company performance (Songini et al., 2023). Furthermore, it is a performance measure variable in terms of company valuation (Maama & Marimuthu, 2022). The formula for TQ is as follows: TQ = [(Market Value of common stock + Book Value of preference stock + Book Value of borrowings + Book Value of Current liabilities) / (Book Value of Fixed Assets + Investment + Current Assets)] at the year-end. The result indicated that the higher the value of TQ, the better the company's financial performance. Studies such as Udoh et al. (2025) and Eccher et al. (2018) made use of TQ in their works.

Market Price per Share (MPS): The market price per share is the most recent price that a stock has traded for, which is the function of market forces, occurring when the price for a particular stock is agreed upon by the seller and the buyer (Calson, 2024). It is not a fixed price but varies throughout the trading day as various market forces push the price in different directions. To expatiate on it more, the market price per share has no specific relation to the value of the company's assets; instead, it is influenced by supply and demand (Rubin, 2024). It is measured as the exchange daily listing price, which is the measure employed by studies including Rubin (2024), Calson (2024), and Akpan et al. (2024).

Earnings per Share (EPS): Earnings per share are one of the most common and important metrics used in fundamental analysis because they signify the percentage of the company's profit allocated to ordinary shares (Oyong et al., 2022). The profit used is after-profit tax, non-controlling interest and preference dividend, while shares depend on the weighted average number. As with any fundamental metrics, earnings per share (EPS) indicates the value of a company at which the potential investors may be willing to buy or sell. It is also used to evaluate the value of shares and corporate profitability in terms of how much shareholders will get from their investment. It is calculated as net profit (after preferred dividends) divided by the number of ordinary shares outstanding.

Earnings per share formula: $\frac{\text{Net profit} - \text{preference dividends}}{\text{Number of ordinary shares outstanding}}$

A higher EPS signals positive financial performance, high company value and share value. The EPS used in this study are obtained from annual reports and accounts of the sampled companies, as utilised by Oyong et al. (2022) and Ogar-Abang et al. (2022) in their study.

2.3 Theoretical Framework

This study hinged on signalling theory, since integrated reporting is supposed to send signals to the market for its reaction. This theory, which is attributed to Spence (1973), asserts that a company may provide signals to the market, particularly current and potential investors, regarding the quality of non-financial information disclosed (Sarioglu et al., 2025)

The signalling theory relates closely to the agency theory because both aim to mitigate information asymmetry between managers and investors. Over and above mandatory reports, companies disclose financial and non-financial information in a quest to position themselves as a better investment option than other companies (Daher & Bashatweh, 2018). Integrated reporting includes reporting on the risks and opportunities (balanced reporting) facing the company and how it intends to capitalise on opportunities and mitigate risks (IIRC, 2013). A report that reflects how the company creates or intends to create value for itself and others is, in theory, a signalling report. A high-quality integrated report sends signals to investors about the company's strategic moves towards maximisation of shareholders' wealth. That would augur well for the company in the long run, as such a signal may reduce the cost of equity capital, which in turn increases financial performance.

2.4 Empirical Studies

2.4.1 Integrated Reporting Quality and Tobin's Q

Alatawi et al. (2025) studied the mediating role of firm image in the relationship between integrated reporting and firm value (Tobin's Q) in Gulf Cooperation Council (GCC) countries between 2017 and 2023. The sample size consisted of 177 companies listed on the GCC markets. The study using Tobin's Q as a proxy for firm value found that integrated reporting quality significantly raises firm value, with firm image mediating the effect.

Udoh et al. (2025) carried out a study on the impact of integrated reporting on the firm value (Tobin's Q) of listed consumer goods companies in Nigeria, spanning the period of 10 years from 2014 to 2023. The sample size comprised 15 listed consumer goods from which the data were collected. The study utilised an ex post facto research design with panel multiple regression for data analysis. The empirical study reported that integrated reporting significantly increases firm value.

Akpan et al. (2022) investigated the effect of integrated reporting quality on firms' value of 59 listed manufacturing companies in Nigeria from 2011 to 2020. The study employed an ex-post facto research design and a purposive sampling technique, and the results indicated that human capital information disclosure significantly increases the firm's value.

Nwoye et al. (2022) examined the impact of integrated reporting on the stock values in Nigeria and South Africa between 2015 and 2018 for oil and gas companies. A panel multiple regression analysis was used for the data analysis. The study discovered that integrated reporting significantly increases the values of the companies in South Africa and Nigeria, indicating that integrated reporting practices enhance company value.

Adegboyegun et al. (2020) ascertained the relationship between integrated reporting quality and firm values proxied by Tobin's Q from 2012 to 2016 with a sample size of 38 listed manufacturing companies in Nigeria. The ex-post facto design was employed, and the panel regression analysis method was used for the data analysis. The researchers found that integrated reporting, particularly financial capital disclosure, has a significant negative effect on firm value (Tobin's Q). However, integrated reporting, specifically intellectual, human, and natural disclosure, revealed insignificant negative effects on Tobin's Q.

2.4.2 Integrated Reporting Quality and Market Price per Share

Yusuf (2025) determined the effect of value relevance of integrated reports' disclosure quality on the share price from 2014 to 2023 with a sample size of 127 companies listed on the Nigerian Exchange Group (NGX). The results of the random effects regression revealed that a statistically significant positive relationship between integrated reporting quality significantly improves market prices per share.

Udoh et al. (2025) examined the impact of integrated reporting on the firm value (market share price) of 15 consumer goods companies listed on the Nigerian Exchange Group (NGX) between 2014 and 2023. The result from panel multiple regression indicated that integrated reporting practices (particularly financial, manufactured, and social/relational capital disclosures) increase market valuation, including market price per share.

Iqbal et al. (2025) established the link between integrated reporting quality (IRQ) and the implied cost of equity capital for top-listed companies in Australia and New Zealand from 2010 to 2020. The researchers adopted panel regression for data analysis, and the result indicated that IRQ has a significant and negative effect on the cost of equity. Though the study is not about market share price, but when the cost of equity is reduced, discount rates will be lowered, which may have a serious effect on the share prices and firm value in the capital market.

Akpan et al. (2024) examined the effect of integrated reporting on share price performance in Nigeria with a sample size of 12 listed companies. The utilised standardised ordinary least squares regression was used for statistical data analysis. The result showed that integrated reporting has a significant positive effect on share price (particularly financial capital disclosure, human capital disclosure and intellectual capital disclosure), signifying that transparent integrated reporting reinforces investor confidence and market valuation of listed industrial goods firms in Nigeria.

2.4.3 Integrated Reporting Quality and Earnings per Share (EPS)

Sarioglu et al. (2025) researched the effect of integrated reporting quality on financial performance (Earnings per Share (EPS)) from 2019 to 2022 with a sample of 82 companies from developed and developing countries. The empirical findings indicated that IRQ has a positive significant relationship with EPS, agreeing with the fact that quality integrated reporting strengthens the profitability of a company.

Oyong et al. (2022) investigated how integrated reporting affected the financial performance (earnings per share) from 2014 to 2020 with a sample size of 28 listed finance companies in Nigeria. The results from the multiple regression analysis proved that integrated reporting has a positive relationship with the earnings per share, indicating that credible integrated reporting increases the EPS of quoted finance companies in Nigeria.

Ogar-Abang et al. (2022) examined the effect of integrated reporting on the financial performance (earnings per share) of 28 listed Nigerian finance companies between 2014 and 2020. The results from the multiple regression analysis revealed that integrated reporting significantly improves financial performance proxied by EPS of listed finance companies in Nigeria.

Matemane and Wentzel (2019) investigated the link between integrated reporting quality (IRO) and earnings per share (EPS) of listed South African banks from 2010 to 2014. The results reported that integrated reporting quality and earnings per share (EPS) are significantly positively related.
Herlambang and Faisal (2022) determined the impact of integrated reporting quality on earnings quality proxied by earnings per share moderated by the agency cost of listed mining companies in Indonesia from 2017 to 2020. The sample size of 47 companies was employed, and Moderated Regression Analysis (MRA) was used for statistical data analysis. The result revealed that integrated reporting quality has a significant and negative effect on earnings quality proxied by EPS, indicating that quality IR reduces EPS reliability, which sends the signal of poor financial performance.

3.0 Methodology

This work employed an ex-post facto research design, which is conducted after the events have taken place and the data are already available. The population and sample size of 16 consumer goods companies that were listed on the Nigerian Exchange Group as of 31st December 2024 were employed for the study. Integrated reporting quality (IRQ) as an independent variable was used entirely, while financial performance as a dependent variable was split into TQ, MPS and EPS.
Table 1 shows the measurement of the study variables:

Table 1: Summary of Variable Definition and Measurement

Variable	Acronym	Type	Measurement	Source
Tobin's Quotient	TQ	Dependent	Market value of company divided by book value	Songini, et. al. (2023); Maama & Marimuthu (2022); Akpan et al., (2022
Market Price per Share	MPS	Dependent	collected from the financial statements, company website or Exchange daily listing	Rubin (2024); Calson (2024); Coorey, Et al (2020) Akpan, Isaac & Ukpong (2024)
Earnings per Share	EPS	Dependent	Obtained from the financial statements	Oyong, et al, (2022); Ogar-Abang et al, (2022)
Integrated Reporting Quality	IRQ	Independent	Obtained from MachameRatios Database	Eccles & Serafeim (2017); Pistoni et al., (2018)
Firm Size	SIZE	Control	Natural logarithm of total assets	Ruhana & Hidayah (2020); Abdulsalam & Babangida (2020);
Firm Age	AGE	Control	Number of yers the company has been listed	Fahad & Nidheesh, (2020)

Firm Leverage	LEV	Control	Long term loans divided by total assets	Nguyen & Nguyen (2020); Fahad & Nidheesh, (2020);

Source: *Researcher's Compilation, 2025.*

Descriptive, inferential statistics and Structural Equations Modelling (SEM) were applied in the statistical analysis of the data. In SEM, the goodness of fit model needs to be satisfied before the hypothesis testing. It is the appropriate model for simultaneously analysing both direct and indirect effects . The models of the study were specified as follows:

$FP_{it} = \beta_0 + \beta_1 IRQ_{it} + \beta_2 SIZE_{it} + \beta_3 LEV_{it} + \beta_4 AGE_{it} + e_{it}$ ....(1)

where:

FP=Financial Performance represented by TQ, MPS and EPS of firm i at time t
IRQ = Integrated Reporting Quality of firm i at time t
SIZE = firm size of firm i at time t
LEV = firm Leverage of firm i at time t
AGE = Firm Age of firm i at time t
β_0 =the constant of firm i at time t
$\beta_1 - \beta_4$ = the regression coefficients
it = firm i at time t
e =the error term used in the regression model.

4.0 DATA PRESENTATION, ANALYSIS AND DISCUSSION OF RESULTS

The data collected for this study were presented in raw form and in tables for analysis. This section presents the descriptive statistics of the dependent and independent variables and regression results in tables as follows: -

4.2.1 Descriptive Statistics

Table 2: Result of the Descriptive Statistics

Variable	Obs	Mean	Std. dev.	Min	Max
TQ	176	2.19125	1.911278	.47	9.93
MPS	176	77.82193	214.9959	.5	1200
EPS	176	2.210443	7.819874	-43.726	41.16
IRQ	176	72.61415	13.52065	38.46	93.33
TA	176	8.11e+08	2.46e+09	203973	1.52e+10
LEV	176	.4211364	.2543515	.01	.99
AGE	176	53.375	21.24971	4	99

Source: *STATA Output, 2025.*

Table 2 reveals a mean of 2.19 for Tobin's Q ratio, indicating the capacity of the sampled consumer goods companies to embark on investments that could lead to having both financial and non-financial reports. However, individual consumer goods companies with Tobin's Q ratios below 1 (minimum 0.47) will find it difficult to make any investments, as such actions would waste shareholders' resources. Market price per share (MPS) for listed consumer goods companies in Nigeria averages N77.82, with a minimum of N0.50 (Champions Breweries) and a maximum of N1,200 (Nestle). The high standard deviation indicates significant variability in prices, reflecting the vulnerability of market prices among these companies and suggesting low correlation in their pricing, making the mean value of N77.82 less reliable.

More so, the mean earnings per share (EPS) for consumer goods companies is N2.21, indicating good financial health on average. However, the minimum EPS is -N43.73, suggesting that some companies are experiencing losses. The maximum EPS is N41.16, which is also substantial. A standard deviation of N7.82 points to volatility in the earnings of these companies in Nigeria. IRQ has a mean of 72.61, indicating high compliance (72.61%) in integrated reporting by companies during the review period. The minimum was 38.46%, while some companies achieved as high as 93.33%. A low standard deviation of 13.52 suggests low variability in reporting quality, reflecting consistent performance among companies regarding integrated report quality.

On average, the sampled companies possess significant asset bases, with a mean asset size of N811 billion and a standard deviation of N2.460 billion, indicating considerable variability. The maximum assets reached N15,200 billion, which suggests that these companies can effectively manage increased reporting to address information asymmetry and overload common in integrated reporting (IR). The leverage data reveals an average gearing of 42.11%, with a standard deviation of 25.44%, indicating that while some companies are minimally geared (1%), others are highly geared (99%), implying a predilection for equity financing over debt. Additionally, with an average firm age of 52 years, these companies appear capable of adapting to new operational frameworks, reflecting their long-standing existence and potential for sustainable practices.

Table 3: SEM Result

TQ Model	**Coefficient**	**Robust Std Error**	**z**	**prob>/z/**
IRQ	-0.1318	0.0498	-2.64	0.008
SIZE	0.1025	0.1097	0.93	0.350
LEV	-0.007	0.1127	-0.006	0.950
AGE	0.0148	0.0289	0.51	0.610
Cons	0.8768	0.699	5.16	0.000
MPS Model				
IRQ	0.0794	0.0313	2.54	0.011
SIZE	0.1224	0.1306	0.94	0.349
LEV	-0.0084	0.1346	-0.06	0.950
AGE	0.0176	0.0348	0.51	0.613
Cons	0.2474	0.1543	1.60	0.109
EPS Model				
IRQ	0.4615	0.0969	4.76	0.000
SIZE	0.1519	0.1632	0.93	0.352
LEV	-0.0104	0.1671	-0.06	0.950
AGE	0.0219	0.0431	0.51	0.611
Cons	0.4019	0.1858	2.16	0.031

Source: *STATA Output, 2025*

Table 3 illustrates that an increase in Integrated Reporting Quality (IRQ) by one percentage point leads to a 0.1318 decrease in Tobin's Q (TQ), indicating a potential reduction in TQ by 13.18%. This suggests that enhancing the quality of integrated reports may increase overall costs, negatively impacting companies' replacement values as indicated by TQ. Additionally, TQ is influenced by book values, which can be subject to management manipulation, resulting in misinformation and information asymmetry.

The analysis in Table 3 indicates that a unit increase in integrated reporting quality (IRQ) correlates with a 0.0794 increase in Market Price per Share (MPS), translating to a 7.94% increase in share prices. This suggests that enhanced information disclosure benefits listed consumer goods companies in Nigeria, rewarding them with higher market share prices by reducing information asymmetry and increasing stock patronage.

Finally, increasing integrated reporting quality (IRQ) by one-unit results in an increase in earnings per share (EPS) by 0.4615, equating to a 46.15% boost in EPS for each percentage rise in IRQ. Higher EPS indicates a company's better performance in generating earnings in relation to its shares, suggesting that companies with elevated EPS are more likely to succeed. This ratio is crucial as it reflects management's ability to generate earnings and significantly contributes to a company's financial strength. The findings stress that management should closely monitor EPS changes over time, particularly among listed consumer goods companies in Nigeria.

4.3 Test of Research Hypotheses

This section tests the research hypotheses that were stated in earlier in their null forms.

HO_1: IRQ has no significant effect on Tobin's Quotient (TQ) of listed consumer goods companies in Nigeria.

Table 3 shows that the prob>/z/ value of 0.008 is less than 0.05 (0.008<0.05) of hypothesis one. This means that the null hypothesis was rejected, thereby concluding that IRQ has a significant effect on the Tobin's Quotient (TQ) of listed consumer goods companies in Nigeria.

HO_2: IRQ has no significant effect on the market price per share (MPS) of listed consumer goods companies in Nigeria.

Table 3 presents the results for testing the second hypothesis, indicating that the p-value of 0.011 is lower than 0.05 (0.011<0.05). This means that the null hypothesis was not accepted, thereby concluding that IRQ has a significant effect on the market price per share (MPS) of listed consumer goods companies in Nigeria.

HO_3: IRQ has no significant effect on the earnings per share (EPS) of listed consumer goods companies in Nigeria.

Table 3 contains the results of testing the third hypothesis, which shows that the p-value of 0.000 is below 0.05 (0.000 < 0.05). This signifies that the null hypothesis was not accepted, thereby concluding that IRQ has a significant effect on earnings per share (EPS) of listed consumer goods companies in Nigeria.

4.4 Discussion of Findings

The discussion of the findings in this section is based on the study objectives as follows:

4.4.1 Integrated Reporting Quality and Tobin's Quotient

This study investigates the impact of Integrated Reporting Quality (IRQ) on Tobin's Quotient (TQ) among listed consumer goods companies in Nigeria. The findings indicate that IRQ has a significant negative effect on TQ, suggesting that enhanced quality in integrated reports lowers the replacement value of these companies as reflected by TQ metrics. This conclusion aligns with previous research by Adeboyegun et al. (2020), which found that integrated reporting significantly and negatively affects firm performance over the long term. This finding contrasts with studies by Alatawi et al. (2025), Udoh (2025) and Akpan et al. (2022), which observed positive effects of integrated reporting on financial performance in various sectors within Nigeria and the GCC. The mixed results occur because investors might view certain elements of integrated reporting disclosures as an excessive focus on disclosure or as compliance-driven reporting, leading to varied reactions in market valuation.

4.4.2 Integrated Reporting Quality and Market Price per Share

This objective investigates the impact of Integrated Reporting Quality (IRQ) on the Market Price per Share (MPS) of listed consumer goods companies in Nigeria. The findings indicate that IRQ significantly positively affects MPS, suggesting that enhanced integrated reports, which include both financial and non-financial information, can improve market prices. This finding aligns with signalling theory, which explains that high-quality integrated reporting reduces information asymmetry in the markets, thereby enhancing firm value by increasing the market price of shares. This result corroborates previous studies, including those by Yusuf (2025), Udoh et al. (2025) and Akpan et al. (2024), which found a positive correlation between IR and financial performance in quoted finance companies. However, contrasting results emerged from Iqbal et al. (2025), who noted that IR significantly lowers the cost of equity which may significantly affect the market price of shares.

4.4.3 Integrated Reporting Quality and Earnings per Share

The research examines the impact of Integrated Reporting Quality (IRQ) on earnings per share (EPS) of consumer goods companies in Nigeria, revealing a significant positive effect. Improved integrated reports correlate with increased EPS, indicating IRQ enhances earnings variability. The finding supports the signalling theory, which states that IRQ sends signals to the markets which influences the earnings per share. This also aligns with previous studies by Sarioglu et al. (2025), Oyong et al. (2022), Ogar-Aban et al. (20220 and Matemane and Wentzel (2019), which also found IRQ positively influences financial performance (EPS). However, conflicting findings from Herlambang and Faisal (2022) suggest that IRQ reduces earnings quality, as measured by EPS reliability, indicating poor performance associated with mining companies in Indonesia.

5.0 CONCLUSION AND RECOMMENDATIONS

This study investigated the impact of integrated reporting quality (IRQ) on the financial performance of 16 listed consumer goods companies in Nigeria, utilizing an ex-post facto research design and secondary data from annual reports. The analysis, conducted through Structural Equations Modeling (SEM), revealed that IRQ negatively affected Tobin's Q but positively influenced market price per share and earnings per share. Overall, the findings concluded that IRQ significantly impacts the financial performance of the listed consumer goods companies, except for its negative relationship with Tobin's Q.

Based on the outcome of this study, the following recommendations were advanced:

i. The consumer goods companies' annual reports should encompass both financial and non-financial information, as this dual reporting enhances short- and long-term benefits. Such comprehensive disclosure aids market participants, including institutional investors and capital market analysts, in assessing investment opportunities for their clients.

ii. Managers of consumer goods companies in Nigeria must focus on cost effectiveness and efficiency to improve financial performance. The study found a significant negative impact of IRQ on market performance, indicating that while it negatively affects performance, managers are incentivized to enhance their reporting frameworks for stakeholder assessment.

iii. Standard setters like the Securities and Exchange Commission (SEC) and Financial Reporting Council of Nigeria (FRCN) should collaborate to create an accounting framework for standardized integrated reports. This will help prevent information overload, reduce asymmetry, and improve the quality and accessibility of information disclosures by listed consumer goods companies in Nigeria.

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