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Effect of Human Capital on the Financial Reporting Quality of Listed Industrial Goods Companies in Nigeria

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ABSTRACT: The study examined the effect of human capital on the financial reporting quality of listed industrial goods companies in Nigeria. The study adopted an ex-post facto research design and utilises panel data obtained from the annual reports of selected listed industrial goods companies in Nigeria over a ten-year period, yielding 130 firm-year observations. Data were analysed using panel regression techniques. The results reveal that employee size has a positive and statistically significant effect on financial reporting quality, indicating that larger workforces enhance reporting quality through improved professional competence and internal control systems. Conversely, staff cost exhibits a negative and significant relationship with financial reporting quality, suggesting that higher personnel expenditure does not necessarily translate into better reporting outcomes. Employee stock ownership shows a positive but statistically insignificant effect, implying that employee ownership structures in Nigeria are too weak to meaningfully influence reporting behaviour. The study concludes that human capital significantly influences financial reporting quality in Nigerian industrial goods firms, but the impact varies across dimensions. It recommends that firms prioritise workforce quality and efficiency over cost expansion, strengthen professional development programmes, and design more effective employee ownership schemes to improve financial reporting transparency and corporate governance.

KEYWORDS: Human Capital; Financial Reporting Quality; Employee Size; Staff Cost; Employee Stock Ownership.

INTRODUCTION

Financial reporting quality is a critical determinant of investor confidence, effective corporate governance, and the efficient functioning of capital markets. High-quality financial reports provide relevant, reliable, and timely information that enables stakeholders to make informed decisions. In Nigeria, the adoption of International Financial Reporting Standards (IFRS) and the oversight of regulatory bodies such as the Financial Reporting Council of Nigeria (FRCN) have sought to enhance transparency and accountability in corporate reporting (FRCN, 2021). Despite these efforts, evidence suggests that the quality of financial reporting among Nigerian firms, particularly in the industrial goods sector, remains a concern. Problems such as earnings management, weak disclosures, inconsistent application of accounting standards, and inadequate recognition of intangible resources persist (Ofoegbu & Okoye, 2017; Sadiq & Othman, 2021).

One key factor that may influence financial reporting quality is human capital, which encompasses the knowledge, skills, experience, and competencies of employees (Becker, 1993). Human capital is critical in ensuring that accounting and finance personnel can interpret complex reporting standards, apply professional judgment, and implement robust internal control systems. Inadequate human capital can result in inaccurate, incomplete, or delayed financial statements, which in turn can erode investor trust and hinder the efficient functioning of capital markets (Ogunleye & Fajuyagbe, 2018).

In the context of Nigerian industrial goods companies, there is limited empirical evidence on how specific human capital factors including Employee Size, Staff Cost, and Employee Stock Ownership affect financial reporting quality. While larger workforces may provide diverse skills necessary for complex reporting, they can also introduce coordination challenges that impact reporting efficiency (Francis et al., 2015). Similarly, investment in staff remuneration (Staff Cost) can attract and retain competent professionals, enhancing reporting accuracy, while Employee Stock Ownership may incentivize employees to ensure transparent

and faithful financial reporting (Blasi et al., 2016). However, few studies in Nigeria have directly examined these relationships in the industrial goods sector.

Given the operational complexity of industrial goods firms involving large inventories, capital-intensive operations, and extensive reporting requirements the absence of robust human capital may exacerbate errors, misstatements, and poor disclosure practices. Consequently, there is a pressing need to investigate the effect of Employee Size, Staff Cost, and Employee Stock Ownership on the financial reporting quality of listed industrial goods companies in Nigeria. Therefore, this study examined the effect of human capital on the financial reporting quality of listed industrial goods companies in Nigeria.

Hypotheses

H_{o1}: Employee Size has no significant effect on the Financial Reporting Quality of listed industrial goods companies in Nigeria.

H_{o2}: Staff Cost has no significant effect on the Financial Reporting Quality of listed industrial goods companies in Nigeria.

H_{o3}: Employee Stock Ownership has no significant effect on the Financial Reporting Quality of listed industrial goods companies in Nigeria.

LITERATURE REVIEW

Concept of Financial Reporting Quality

Financial reporting is the preparation of published report for users of financial statements. Financial reporting is the process of documenting and communicating financial activities and performance over specific time periods, typically on a quarterly or yearly basis. Companies use financial reports to organize accounting data and report on current financial status (Oliver, 2021). Financial reporting uses financial statements to disclose financial data that indicates the financial health of a company over during a specific period of time. The information is vital for management to make decisions about the company's future and provides information to capital providers like creditors and investors about the profitability and financial stability of the company. Financial statements provide essential financial information that helps investors, creditors and analysts evaluate a company's financial performance (Herath & Albarqi, 2017).

Concept of Human capital

Human capital is a primary driver of business performance in the current Nigerian economy. Businesses increasingly depend on workers to improve productivity, innovate, and maintain competitiveness (Aman-Ullah et al., 2022). Investment in human capital describes the investment of resources in employee improvement, such as education, training, health, and remuneration (Kucharčíková et al., 2023). Investment in human capital increases employees' efficiency and has the potential to enhance business performance. In labour-intensive industries such as manufacturing, human capital efficiency improves productivity and reduces costs of operation (Chao et al., 2025).

Employee Size

Employee size is the number of employees working in every organization (Pervan & Visic, 2012; Dogan, 2013). Employee size is used to determine not just labour productivity but also the size of the firm and as such larger number of employees in the organization signifies that the firm is big. It is also used to assess profit contribution per employee in organizations just like the assessment of contribution of machine utilization capacity to target profit. The number of employees in employment can be compared periodically to determine the margin of employment by taking previous year employee size as a base for another year. This will enable organizations to plan employee benefit for subsequent years and other employee performance indicators like employee production capacity and sales performance periodically.

Staff Cost

This is defined as salary, incentives and rewards and indirect compensation to employees by their employers (Hameed, Ramzan, Zubair, Ali & Arslan, 2014). The International accounting standard - IAS 19 provides guidance on accounting for all forms of employee benefits, except for share-based payments (The Institute of Chartered Accountants of Nigeria- 4 ICAN, 2014). IAS 19 sets out rules of accounting and disclosure for short term employee benefits, post-employment benefits, other long-term employee benefits and termination benefits. Employee benefit is an important indicator of human capital required by management, employees and other stakeholders.

Employee Stock Ownership

Employee stock ownership, implemented through an employee stock ownership plan, is a form of employee financial participation that grants employees the right to share in the company's wealth and to exercise some degree of control over its affairs (Landau et al., 2007; Abubakar et al., 2019). It is an employee-owner program that provides a company's workforce with an ownership interest in the company. It is an incentive mechanism by which companies reduce costs by closely aligning the interests of

employees with those of other stakeholders in the companies. Employee stock ownership plans involve shares owned by employee fund which is often leveraged by loans with collateral in the company (Martes, 2012).

Empirical Review

Tubotamuno-Ojas Jack (2025) analyzed the effect of human capital cost components on financial reporting quality (FRQ) in 15 listed commercial banks, covering a seventeen-year period from 2009 to 2023. Using multiple regression on secondary data, the study found that health and safety-related costs had a significant positive relationship with FRQ, while training costs did not reach statistical significance. The model had low explanatory power, as indicated by a negative adjusted R^2, signaling the presence of omitted variables or flawed functional specification. Despite its current relevance and lengthy coverage, this study's reliance on cost-based proxies again limits interpretability in terms of actual human capital value.

Uwah et al. (2023) investigated the extent to which intellectual coefficient (IC) in human resource (HR) accounting relates with the quality of financial reports. IC was assessed with litigation risk. The research design employed in this study is the ex-post facto research design. Purposive sampling technique was adopted to sample 14 firms with up to date and complete annual reports and accounts for the study period (2017-2021). Secondary data derived from the financial statements of companies were reviewed for the study. Descriptive statistics was used to summarize the mean, median, standard deviation, skewedness, kurtosis, maximum and minimum of the study variables, while panel regression was used to test the null hypotheses. Findings of the study revealed that intellectual capital has a negative relationship with litigation risk and IC has positive relationship with financial reporting quality. It is recommended that companies should on creating relational awareness in their employees through adequate training in the aspect of customer relation and proper management of financial and human resources.

Ogbonnaya and Basil (2019) assessed the impact of intellectual capital on financial reporting quality of selected banks in Nigeria. The specific objective of the study was to investigate the impact of Intellectual capital on financial reporting quality on selected Banks. A total of ten banks were selected for the study from 2006-2017. Regression analysis was used to do the analysis. They study made use of Value-Added Intellectual Coefficient (VAIC) to ascertain the extent of intellectual capital indices while financial reporting quality is proxy by accrual which was calculated using Dechow and Dichev's (2002) model. The result indicated a positive impact on financial reporting quality.

Amah and Amauwa (2023) investigated the influence of Human Capital cost on financial reporting quality of Money Deposit Banks in Nigeria. The specific objective of the study was to investigate the extent to which Human capital cost affect financial reporting quality of money deposit Banks in Nigeria. A total of Ten (10) Banks were selected for the study, time series data used were obtained from annual report of the deposit money banks from 2006-2019. Accrual model was used to compute the proxy for financial reporting quality, while Human Capital cost is proxy by the Salaries and Benefit of Employee in the year which is taken from annual report of the selected money deposit Banks. The ordinary least square techniques were used to analyse the data. The result indicated a positive impact on financial reporting quality.

THEORETICAL FRAMEWORK

Human Capital Theory

Human Capital Theory developed by Becker (1964) argues that individuals and organizations realize returns from investment in training, education, and skills development (Kucharčíková et al., 2018). The theory views human capital as a vital asset that raises the productivity and economic growth of a population. In the business world, firms invest in employees through training schemes, health coverage, and competitive compensation in an effort to enhance them toward higher efficiency and productivity at the workplace (Obinna et al., 2024). Organizations that prioritize investment in human capital perform better financially under this theory. Employees with skills and knowledge drive innovations, smooth processes, and good decision-making (Kucharčíková et al., 2018). Technical-skilled employees in the manufacturing sector drive the efficiency of the manufacturing processes, reduce wastages, and maximize the output of the final good. The companies with a good foundation of human capital therefore realize higher returns on assets (ROA) and lower operational expenses.

METHODOLOGY

This study adopted an ex-post facto research design, which focuses on the analysis of historical data to examine relationships between variables that have already occurred. The population for this study is all the thirteen (13) listed industrial goods companies on the Nigerian Exchange Group (NGX). The sampling technique employed is effectively a census approach, given that all 13 listed companies are included in the study. The study used secondary data obtained from the annual reports and financial statements of the 13 listed industrial goods companies on the Nigerian Exchange Group (NGX) for the period 2015 to 2024. The study used paned

data regression techniques to examine the effect of intellectual capital disclosure on financial reporting quality of listed industrial goods companies in Nigeria.

The panel multiple models are formulated for study

$FRQ = f(EMS, SC, EMSW)$ ……i

$FRQ_{it} = \beta_0 + \beta_1 EMS_{it} + \beta_2 SC_{it} + \beta_3 EMSW_{it} + \varepsilon_{it}$ ……ii

Where:

FRQ = Financial Reporting Quality

EMS = Employee Size.

SC = Staff Cost

EMSW = Employee Stock Ownership

β_0 = Constant

β_1-β_7 are coefficient for the explanatory variables

ε = Error coefficient.

i = Company

t = time i

Table 1: Measurement of Variables

Variable	Measurement Of Variables	Source
FRQ	Measured by use of modified Jones Model as a proxy for financial reporting quality. NDAt = α1(1/At - 1) + α2[(ΔREVt - ΔRECt) / At - 1] + α3(PPEt /At - 1).	Dechow et al., (1995) Azizah and Pujiono (2021)
EMS	this is the number of persons in employment during an accounting period inclusive of management staff, senior staff and the junior staff	Abubakar (2019) Onyam et al. (2015)
SC	Salaries and the wages, bonuses and performance incentives, pension and other post-employment benefit, training and development cost other factored in are traveling expenses, human resource expenses, (development of employee skill, knowledge and motivation for strategy implementation).	Abubakar (2019) IAS 19 Meshack (2013) and Olalade (2015).
EMSW	The director's stockholding within the accounting period	Abubakar (2019) Martes (2012)

Source: Author's Compilation, 2026

RESULTS AND DISCUSSION OF FINDINGS

Table 2: Descriptive Statistics

	Mean	Maxi	Mini	Std.Dev.	Skew	Kurt	Obs
FRQ	0.158483	0.253953	0.020522	0.054063	-0.37331	2.718930	130
EMS	3163.300	14360.00	300.0000	3852.400	1.582371	4.240279	130
SC	40624.27	250765.1	400.5432	72806.61	1.608035	4.013394	130
EMSW	0.333462	1.400000	0.100000	0.228781	2.501500	10.10874	130

Source: Eviews Output, 2026

Table 2 presents the descriptive statistics for Financial Reporting Quality (FRQ), Employee Size (EMS), Staff Cost (SC), and Employee Stock Ownership (EMSW) for the sampled listed industrial goods companies in Nigeria over the study period, with 130 firm-year observations. The mean value of FRQ is 0.158, indicating that on average, the level of financial reporting quality among the sampled firms is relatively moderate. The minimum and maximum values of 0.021 and 0.254 respectively suggest noticeable variations in reporting quality across firms and over time, reflecting differences in reporting practices within the industrial goods sector. The relatively low standard deviation of 0.054 indicates that although there are variations, most firms cluster around the average level of financial reporting quality.

Employee Size (EMS) shows a mean value of approximately 3,163 employees, indicating that listed industrial goods firms in Nigeria are generally large organisations. However, the wide gap between the minimum (300 employees) and maximum (14,360 employees) suggests significant disparities in firm size within the sector. The high standard deviation of 3,852 further confirms substantial variability in workforce size across the sampled firms. This variation implies that human capital resources differ markedly among firms, which may influence their financial reporting practices.

Staff Cost (SC) records a mean of ₦40,624.27 million, reflecting substantial investment in employee remuneration across the sector. The minimum and maximum values, ₦400.54 million and ₦250,765.1 million respectively, indicate a very wide range of staff-related expenditures among firms. The large standard deviation of 72,806.61 suggests high dispersion in staff costs, which implies that while some firms invest heavily in human capital, others allocate relatively fewer resources to employee compensation.

Employee Stock Ownership (EMSW) has a mean value of 0.333, indicating that on average, employees hold about 33 percent ownership stakes in the sampled firms. The minimum value of 0.10 and maximum value of 1.40 reveal substantial variation in employee ownership structures across firms. The standard deviation of 0.229 suggests moderate variability, implying that employee ownership is present but not uniformly distributed within the sector.

The skewness statistics show that FRQ is slightly negatively skewed, indicating that more firms cluster around higher values of reporting quality. In contrast, EMS, SC, and EMSW are positively skewed, suggesting that a few firms with very high employee size, staff cost, and employee ownership pull the distributions to the right. The kurtosis values indicate that EMS, SC, and especially EMSW exhibit leptokurtic distributions, implying the presence of extreme values and possible outliers. Overall, the descriptive statistics reveal substantial heterogeneity among firms in terms of human capital characteristics, which provides a suitable basis for examining their effects on financial reporting quality.

Table 3: Correlation Matrix

Correlation **Probability**	**FRQ1**	**EMS**	**SC**
EMS	0.448845		
	0.0000		
SC	0.410700	0.981513	
	0.0000	0.0000	
EMSW	0.067327	0.160405	0.186752
	0.4466	0.0683	0.0334

Source: Eviews Output, 2026

Table 3 presents the Pearson correlation coefficients among Financial Reporting Quality (FRQ), Employee Size (EMS), Staff Cost (SC), and Employee Stock Ownership (EMSW). The correlation results provide preliminary insights into the direction and strength of the relationships among the study variables prior to regression analysis. The correlation between FRQ and EMS is positive and moderately strong (r = 0.449) and statistically significant at the 1 percent level (p = 0.000). This suggests that firms with larger employee size tend to exhibit higher financial reporting quality. The result implies that larger workforces, which may include more specialized accounting and finance professionals, are associated with improved reporting practices in listed industrial goods companies in Nigeria.

Similarly, the correlation between FRQ and SC is positive and moderate (r = 0.411) and statistically significant at the 1 percent level (p = 0.000). This indicates that firms that invest more in staff remuneration and benefits tend to produce higher-quality financial reports. The finding supports the argument that greater financial investment in human capital enhances employee competence and motivation, which in turn improves the accuracy and reliability of financial reporting. In contrast, the correlation between FRQ and EMSW is positive but very weak (r = 0.067) and statistically insignificant (p = 0.447). This suggests that employee stock ownership does not have a meaningful direct relationship with financial reporting quality at the bivariate level. Although the relationship is positive, the lack of statistical significance implies that employee ownership alone may not be a strong determinant of reporting quality without considering other organisational factors.

The correlation between EMS and SC is extremely high and positive (r = 0.982), and statistically significant at the 1 percent level (p = 0.000). This indicates that firms with larger numbers of employees also incur higher staff costs, which is expected since workforce size directly influences total personnel expenses. However, this very high correlation suggests a potential risk of multicollinearity in regression analysis, which may affect the stability of coefficient estimates. The correlation between EMS and EMSW is positive but weak (r = 0.160) and marginally insignificant (p = 0.068), indicating that employee size does not strongly determine employee

ownership structure. Similarly, SC and EMSW show a weak but statistically significant positive relationship (r = 0.187, p = 0.033), suggesting that firms with higher staff costs are slightly more likely to have employee ownership arrangements.

Table 4: Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	8.629032	3	0.0347

Source: Eviews Output, 2026

Table 4 presents the results of the Hausman specification test conducted to determine the most appropriate estimation technique between the fixed effects and random effects models for this study. The Hausman test is used to assess whether the unique errors (unobserved individual effects) are correlated with the explanatory variables. If such correlation exists, the fixed effects model is preferred; otherwise, the random effects model is considered more efficient (Gujarati & Porter, 2010).

The result shows a Chi-square statistic of 8.629 with 3 degrees of freedom and a probability value of 0.0347. Since the probability value is less than the 5 percent significance level, the null hypothesis of the Hausman test is rejected. This implies that there is a statistically significant difference between the fixed effects and random effects estimators, indicating that the random effects model is inconsistent and inappropriate for this analysis.

The rejection of the null hypothesis suggests that the individual firm-specific effects are correlated with the explanatory variables (employee size, staff cost, and employee stock ownership). In practical terms, this means that unobserved characteristics unique to each firm—such as managerial style, corporate culture, internal governance structures, or accounting practices—systematically influence both human capital variables and financial reporting quality. Therefore, these firm-specific effects cannot be treated as random (Wooldridge, 2016).

Consequently, the fixed effects model is considered more suitable for this study because it controls for unobservable, time-invariant firm characteristics and provides more reliable coefficient estimates. This enhances the credibility and robustness of the regression results, ensuring that the estimated relationships between human capital and financial reporting quality are not biased by omitted firm-specific factors.

Table 5: Regression Results

Dependent Variable: FRQ1				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
EMS	0.238775	0.047187	5.060146	0.0000
SC	-0.135612	0.029790	-4.552266	0.0000
EMSW	0.045861	0.024188	1.896074	0.0605
C	-0.453430	0.129367	-3.504987	0.0007
R-squared	0.922067			
Adjusted R-squared	0.911813			
F-statistic	89.92006	Durbin-Watson stat		1.339385
Prob(F-statistic)	0.000000			

Source: Eviews Output, 2026

Table 5 presents the regression results examining the effect of human capital variables on Financial Reporting Quality (FRQ) of listed industrial goods companies in Nigeria. The model includes Employee Size (NLEMS), Staff Cost (NLSC), and Employee Stock Ownership (EMSW) as explanatory variables. The R-squared value of 0.922 indicates that approximately 92.2 percent of the variations in financial reporting quality are jointly explained by the human capital variables included in the model, suggesting a very strong explanatory power. The adjusted R-squared of 0.912 further confirms the robustness of the model after adjusting for the number of predictors. The F-statistic of 89.92 with a probability value of 0.000 implies that the overall model is statistically significant and well-fitted.

The coefficient of Employee Size (NLEMS) is positive (β = 0.239) and statistically significant at the 1 percent level (p = 0.000). This result indicates that employee size has a significant positive effect on financial reporting quality. This implies that firms with larger workforces tend to produce higher-quality financial reports. This finding is consistent with Human Capital Theory, which argues that a larger pool of skilled employees enhances organisational efficiency and information processing capabilities (Becker, 1993).

It also aligns with empirical evidence from Francis et al. (2015) and Chen et al. (2017), who found that firms with stronger human resource capacity exhibit better accounting quality due to improved internal controls and professional competence.

Staff Cost (NLSC), however, shows a negative and statistically significant coefficient (β = -0.136, p = 0.000). This suggests that higher staff costs are associated with lower financial reporting quality. This result contradicts conventional expectations that higher remuneration enhances employee competence and motivation. However, this finding can be explained within the Nigerian context, where rising staff costs may reflect inefficiencies, overstaffing, or inflated wage structures rather than genuine investments in professional development (Aminu & Sharif, 2015). Similar negative relationships were reported by Abubakar (2019), who argued that high personnel costs in developing economies may strain organisational resources, leading to cost pressures that encourage earnings manipulation and aggressive reporting practices.

Employee Stock Ownership (EMSW) shows a positive coefficient (β = 0.046) but is statistically insignificant at the 5 percent level (p = 0.060). This indicates that employee stock ownership does not have a significant effect on financial reporting quality in the sampled firms. Although agency theory suggests that employee ownership aligns employee interests with those of shareholders and promotes transparency (Jensen & Meckling, 1976), this result implies that in Nigeria, employee ownership structures may be too weak or symbolic to meaningfully influence reporting behaviour. This finding is consistent with Blasi et al. (2016) and Sadiq and Othman (2021), who reported that employee shareholding in emerging markets often lacks sufficient depth to impact governance outcomes.

The constant term is negative and statistically significant, indicating that in the absence of human capital inputs, financial reporting quality would be substantially low. This further reinforces the importance of human capital as a critical determinant of reporting outcomes.

The Durbin-Watson statistic of 1.34 suggests mild positive autocorrelation but remains within acceptable bounds for panel data analysis in corporate finance studies (Gujarati & Porter, 2010). The regression results provide strong evidence that human capital significantly influences financial reporting quality in Nigerian industrial goods companies, particularly through employee size, while staff cost exerts a negative effect and employee stock ownership remains weakly relevant.

CONCLUSION AND RECOMMENDATIONS

The study examined the effect of human capital on the financial reporting quality of listed industrial goods companies in Nigeria, using employee size, staff cost, and employee stock ownership as proxies for human capital. The findings provide strong empirical evidence that human capital plays a significant role in shaping financial reporting quality within the Nigerian industrial goods sector.

The regression results revealed that employee size has a positive and statistically significant effect on financial reporting quality. This indicates that firms with larger workforces tend to produce higher-quality financial reports, likely due to the availability of diverse skills, professional expertise, and improved internal control systems.

Conversely, staff cost was found to have a negative and significant effect on financial reporting quality. This suggests that higher personnel expenditure does not necessarily translate into better reporting outcomes. In the Nigerian context, rising staff costs may reflect inefficiencies, poor workforce productivity, or misallocation of human resource investments rather than genuine enhancement of employee competence. This finding implies that how firms manage human capital is more important than how much they spend on it.

Employee stock ownership exhibited a positive but statistically insignificant effect on financial reporting quality. This implies that employee ownership structures in Nigerian industrial goods firms are not sufficiently strong to influence reporting behaviour. The result suggests that employee shareholding schemes may be symbolic or poorly structured, limiting their ability to align employee interests with transparency and accountability goals.

Based on the findings of this study, recommended that listed industrial goods companies in Nigeria should strengthen their human capital structure by prioritising skill-based recruitment and workforce diversification. Firms should ensure that accounting and finance departments are staffed with qualified professionals who possess the technical competence required to implement IFRS and maintain high reporting standards.

Again, companies should shift focus from merely increasing staff expenditure to improving workforce efficiency and productivity. Rather than inflating salary bills, firms should invest in targeted training, professional certification, and continuous development programmes that directly enhance employees' reporting competence.

Also, regulatory bodies such as the Financial Reporting Council of Nigeria (FRCN) and the Securities and Exchange Commission (SEC) should encourage stronger human capital disclosure frameworks, requiring firms to report more detailed information on staff composition, professional qualifications, and training investments. This would improve transparency and allow stakeholders to better assess the quality of human capital supporting financial reports.

Furthermore, firms should restructure employee stock ownership schemes to make them more meaningful and performance-linked. Properly designed ownership plans tied to reporting integrity and corporate governance objectives could improve employee commitment to transparency and accountability.

Finally, policymakers should incorporate human capital development into corporate governance codes, recognising it as a critical pillar of financial reporting quality. This would align human resource management with national objectives for financial market integrity and investor protection.

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