

ABSTRACT

The purpose of the paper is to examine the effect of demographic diversity in Top Management Team (TMT) on financial reporting quality in commercial state corporations. The study adopted correlational and longitudinal research design and stepwise regression analysis of FRQ variables on a set of demographic diversity variables in TMT. The findings provide considerable evidence to suggest that TMT demographic diversity are associated with financial reporting quality measured by fundamental qualitative characteristics of accounting information, earnings management, timeliness in reporting and disclosure quality. The research implication is that; in general, demographic diversity in TMT- gender, age, education, tenure and functional background may have important implication for financial reporting quality under different measures. The value of this paper is to extend Prior research by addressing the potential effects of TMT demographic diversity on FRQ. The findings reported in this paper provide novel insight to empirical financial reporting quality literature in commercial state corporation