Cloud-Based Accounting and Financial Reporting Quality in Nigeria: A Study of Nigerian Banking Industry

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ABSTRACT

This study examined the effect of cloud-based accounting systems (CBAS) on the financial reporting quality (FRQ) of Deposit Money Banks (DMBs) in Nigeria. Specifically, it assessed the influence of CBAS on financial report transparency and disclosure quality, the reliability and accuracy of reported earnings, and the timeliness and efficiency of financial reporting. A survey research design was adopted, targeting professionals directly involved in financial reporting processes within licensed Nigerian DMBs. Using G*Power, a minimum sample size was determined; however, 400 respondents were surveyed to enhance generalizability and statistical robustness. Primary data were collected through a structured questionnaire measured on a five-point Likert scale and analysed using SPSS, employing descriptive statistics, correlation, and multiple regression analysis. Findings revealed that CBAS significantly improved transparency and disclosure quality, with cost-effectiveness, security and compliance, and integration and scalability emerging as key predictors. The results further showed that security and compliance, integration and scalability, and user-friendliness significantly enhanced the reliability and accuracy of reported earnings. Additionally, integration and scalability and cost-effectiveness positively influenced the timeliness and efficiency of financial reporting, although user-friendliness exhibited a negative effect on timeliness. Overall, the study concludes that CBAS significantly enhance financial reporting quality in Nigerian DMBs and recommends strategic technological investment, capacity building, and supportive regulatory frameworks to maximize digital transformation benefits in the banking sector.

Keywords: Cloud-Based Accounting Systems, Financial Reporting Quality, Transparency, Reliability, Timeliness, Deposit Money Banks.

INTRODUCTION

Background to the Study

The 21st-century business environment is witnessing unprecedented technological transformation, and financial institutions particularly deposit money banks (DMBs) are at the forefront of adopting digital innovations to enhance operational efficiency, ensure compliance, and improve stakeholder trust (Olaoye *et al*, 2024). One of the most significant technological developments in recent years is the emergence of cloud-based accounting systems. These systems have redefined how financial data is processed, stored, accessed, and reported, enabling organizations to operate in more flexible, transparent, and cost-efficient ways.

Cloud-based accounting systems are financial technologies that allow organizations to perform accounting functions through internet-enabled platforms rather than traditional desktop or locally hosted applications. These systems leverage the principles of cloud computing, which is the delivery of computing services including servers, storage, databases, networking, software, and analytics over the internet. In accounting, this means businesses can access financial data in real time, from any location, and collaborate across departments or locations without the limitations of localized infrastructure (Shuaibu *et al*, 2023). The features of cloud accounting include real-time reporting, automated backups, enhanced data security, user-friendly dashboards,

and seamless integration with other financial tools. For banks, this technology is instrumental in meeting the demands of timely reporting, regulatory oversight, and stakeholder engagement.

In the context of Nigeria, Deposit Money Banks play a central role in financial intermediation and capital formation. They are major drivers of economic stability and development, making the accuracy and integrity of their financial reports a matter of public interest (Onifade *et al,* 2024). Due to the strategic role of banks, they operate within a highly regulated environment, where financial reporting is subject to oversight from multiple institutions, including the Central Bank of Nigeria (CBN), the Financial Reporting Council of Nigeria (FRCN), and the Nigeria Deposit Insurance Corporation (NDIC). These bodies enforce adherence to legal and professional standards, including the International Financial Reporting Standards (IFRS). As such, the concept of regulatory compliance becomes integral to banking operations (Perri *et al*, 2023).

Regulatory compliance refers to the process by which organizations ensure they follow external legal requirements, internal policies, and industry-specific standards. In the Nigerian banking sector, regulatory compliance is critical for maintaining trust, minimizing systemic risks, and avoiding penalties or reputational damage. Compliance involves timely submission of reports, adequate disclosures, audit readiness, and the application of approved accounting principles (Owolabi & Izang, 2020; IFRS, 2018). The ability of DMBs to comply with these requirements is increasingly influenced by the technological infrastructure they employ, especially as regulators move toward digital supervision and real-time monitoring.

The adoption of cloud-based accounting systems in Nigerian banks offers the potential to enhance financial reporting quality through features like automated entries, real-time synchronization, reduction in human error, and easier audit trails. These advantages align with the core objectives of high-quality financial reporting accuracy, completeness, and decision-usefulness (Olaniyi *et al*, 2022). However, these benefits are not automatic. The effectiveness of cloud-based systems is heavily influenced by organizational readiness, technological infrastructure, staff competencies, and most importantly compliance with regulatory requirements.

Statement of the Problem

The adoption of digital technologies has transformed the accounting and financial reporting landscape globally, with cloud-based accounting systems emerging as a major innovation. These systems allow for real-time data processing, increased transparency, and greater accessibility of financial information. In advanced economies, their deployment has been closely associated with improvement in compliance monitoring and the overall quality of financial reporting, thereby strengthen up investor confidence and stability.

In Nigerian, banking sector is currently experiencing a profound transformation, largely driven by the rapid integration of digital technologies aimed at enhancing operational efficiency, transparency, and compliance with increasingly stringent regulatory requirements. Among the myriads of technological innovations, cloud-based accounting systems have emerged as particularly promising tools designed to revolutionize financial reporting processes. These systems offer notable advantages such as real-time data accessibility, automation of routine accounting functions, cost reduction, and improved collaboration across geographically dispersed teams. Despite these anticipated benefits, the extent to which cloud-based accounting systems influence the overall quality of financial reporting specifically in terms of accuracy, transparency, timeliness, reliability, and decision-usefulness within Deposit Money Banks (DMBs) in Nigeria remains inadequately examined and understood.

Although existing literature broadly addressed the adoption of cloud-based accounting and accounting information systems across various sectors including small and medium enterprises (SMEs) and manufacturing firms (Agrawal and Jethy, 2024; Uthman and Baki, 2024), there is a conspicuous paucity of research that specifically targets the banking industry. The banking sector, due to its unique operational complexities, regulatory oversight, and critical role in the national economy, warrants dedicated scholarly attention. Furthermore, while some studies (Owolabi and Izang, 2020; Akpan *et al,* 2023) have posited positive relationships between the adoption of cloud-based accounting and improvements in financial reporting outcomes, their findings remain fragmented, with limited consensus, particularly concerning Nigerian DMBs. This inconclusiveness is further complicated by the non-accuracy of reported earnings, regulatory frameworks

and infrastructural challenges characteristic of the Nigerian banking environment, which may moderate or mediate the effectiveness of cloud accounting implementations.

A notable deficiency in the extant research lies in the limited empirical evidence on the decision-usefulness of financial reports produced through cloud-based accounting system. Although numerous studies have evaluated related dimensions such as operational performance, data accuracy, and processing efficiency, comparatively few have focused explicitly on whether cloud accounting enhances the relevance, clarity, and interpretability of financial reports for primary users including investors, regulatory agencies, and financial managers. Given that decision-usefulness is widely regarded as a core qualitative characteristic underpinning the value and credibility of financial reporting, this gap significantly restricts the practical insights that can be derived from existing research and impedes the formulation of effective strategies for improving reporting quality through cloud-based accounting system.

In view of these multifaceted challenges and research gaps, the present study aims to contribute to the academic discourse by systematically exploring how cloud-based accounting systems affect the quality of financial reporting in Nigerian Deposit Money Banks, with particular emphasis on decision-usefulness. Furthermore, the study seeks to assess the moderating influence of regulatory compliance, thereby illuminating the complex interplay between technological, infrastructural, and regulatory factors that collectively determine the efficacy of cloud accounting systems. By addressing these gaps, the study intends to generate practical insights that can inform policy formulation, managerial decision-making, and future research on digital financial reporting innovations in the Nigerian banking sector.

Research Questions

In light of the identified research problem, this study seeks to answer the following research questions:

i. how does cloud-based accounting system influence financial report transparency and disclosure quality in Nigerian Deposit Money Banks?

ii. what is the impact of cloud-based accounting system on the reliability and accuracy of reported earnings in Nigerian Deposit Money Banks?

iii. how does the cloud-based accounting system affect the timeliness and efficiency of financial reporting in Nigerian Deposit Money Banks?

Objectives of the study

The primary objective of this study is to examine the effect of cloud-based accounting systems on the financial reporting quality of Deposit Money Banks (DMBs) in Nigeria. The specific objectives are to:

i. assess the influence of cloud-based accounting systems on financial report transparency and disclosure quality in Nigerian Deposit Money Banks;

ii. determine the impact of cloud-based accounting systems on the reliability and accuracy of reported earnings in Nigerian Deposit Money Banks;

iii. examine the effect of cloud-based accounting systems on the timeliness and efficiency of financial reporting in Nigerian Deposit Money Banks.

Research Hypotheses

The hypotheses of this study are stated in their null forms as follows:

$H0_1$: Cloud-based accounting does not significantly influence financial report transparency and disclosure quality in Nigerian Deposit Money Banks.

$H0_2$: Cloud-based accounting has no significant impact on the reliability and accuracy of reported earnings in Nigerian Deposit Money Banks.

$H0_3$: Cloud-based accounting does not significantly affect the timeliness and efficiency of financial reporting in Nigerian Deposit Money Banks.

Scope of the Study

This study focuses on examining the effect of cloud-based accounting systems on the financial reporting quality of Deposit Money Banks (DMBs) in Nigeria. The study is limited to Nigeria, with a focus on Deposit Money Banks operating and publicly traded on the Nigerian Exchange Limited (NGX). The research considers the regulatory, economic, and technological landscape affecting these banks within the country. The study explores how cloud-based accounting impacts financial reporting quality, covering aspects such as accuracy, reliability, and transparency. This study adopts a quantitative research approach, relying on primary data collected from key stakeholders, including accountants, financial managers, auditors, and IT professionals within the selected DMBs. Data will be analysed using appropriate statistical techniques to establish relationships between cloud accounting adoption and financial reporting quality.

LITERATURE REVIEW

Conceptual Review

Cloud-Based Accounting Systems

Cloud-based accounting systems represent an evolution in financial management, leveraging cloud computing to enhance accessibility, efficiency, and scalability. Wisdom (2022) defines cloud accounting as an application of cloud system principles in the accounting industry. More broadly, cloud computing refers to the delivery of computing services such as software, data storage, and processing power over a network, typically the internet. Cloud-based accounting, therefore, allows users to access accounting software and financial data online rather than through locally installed applications (Suarta, *et al* 2022). Since its emergence in 2007, cloud-based accounting has gained widespread adoption among businesses, particularly small and medium-sized enterprises (SMEs) (Owolabi & Izang, 2020). Traditionally, accounting software required installation on physical servers, but with cloud computing, businesses no longer need to maintain local servers or control the physical infrastructure supporting their accounting applications.

Cloud-based accounting refers to an online accounting process that accomplishes the same duties as the conventional accounting by employing this technique of accounting (Okafor, Odunze, & Ibiam 2021). Similarly, cloud-based accounting may be characterized as making use of accounting systems over the internet rather than accounting systems hosted locally on a specific computer system (Sobhan, 2019). It is an internet-based accounting and can be accessible on the internet via any computer with internet connectivity while the conventional accounting system is confined to a specific computer (Sobhan, 2019). Moreover, cloud computing refers to the supply of accounting or computing services over the internet that includes storage, data analysis or accounting (Alhujran *et al*., 2018). According to Egiyi and Udeh (2020), cloud-based accounting is a circumstance where all data and details of financial transactions may be kept and accessible from anywhere.

Impact of Cloud Technology on Accounting

The adoption of cloud-based accounting system has implications for both technological advancements and financial policies. Cloud-based accounting influences financial and accounting structures through budgetary adjustments, such as changes in investment levels and cost structures, alongside technological developments like data virtualization on remote servers (Vasilescu, 2008).

Experts advocate for private enterprises and family offices to transition to cloud accounting due to its efficiency and simplified approach compared to full International Financial Reporting Standards (IFRSs). However, certain entities are required to adhere to full IFRSs due to the nature of their operations. These include:

i. Companies that publicly traded securities, such as stocks or bonds

ii. Banks, brokers, and mutual funds

iii. Organizations holding assets in a fiduciary capacity as part of their core business operations

The ultimate decision regarding the mandatory or optional adoption of cloud-based accounting for statutory financial reporting lies with legislative and regulatory authorities in different jurisdictions. Standard-setting bodies worldwide continue to assess the feasibility and impact of cloud-based accounting in financial reporting frameworks.

Financial Reporting Quality

Financial Reporting Quality (FRQ) refers to the accuracy, reliability, and transparency of financial statements in conveying the true financial position and performance of an entity. It serves as a crucial tool for evaluating managerial stewardship, ensuring investor confidence, and enhancing financial decision-making. High-quality financial reporting provides relevant and faithfully represented information that enables stakeholders such as investors, creditors, regulators, and the public to make informed economic decisions.

The Financial Accounting Standards Board (FASB) and the International Accounting Standards Board (IASB) emphasize that FRQ is achieved when financial statements meet fundamental qualitative characteristics, such as relevance and faithful representation, and enhancing qualitative characteristics, such as comparability, verifiability, timeliness, and understandability (IASB, 2010). Relevant financial information must possess predictive and confirmatory value, while faithful representation requires completeness, neutrality, and freedom from error.

Theoretical Review

System Theory

System Theory, originally developed by Ludwig von Bertalanffy in the 1950s, presents organizations as open systems that continuously interact with both their internal and external environments. Rather than functioning as closed, mechanistic entities, organizations are viewed as dynamic frameworks that transform inputs into outputs while responding adaptively to environmental changes (Bertalanffy, 1950; Miller and Rice, 1967).

At its core, System Theory employs the input–process–output model, which remains highly relevant in modern organizational analysis. Inputs include resources such as human capital, technology, and regulatory frameworks; processes involve internal systems and operational mechanisms; and outputs reflect the performance outcomes and stakeholder impacts. Applied to the banking sector, this model provides a useful lens through which to evaluate how technological infrastructure such as cloud-based accounting systems (CBAS) and regulatory compliance mechanisms influence the financial reporting quality (FRQ) of Deposit Money Banks (DMBs).

System Theory is particularly significant for this study because it underscores the necessity for organizations especially those in highly regulated and technologically dynamic environments like banking to maintain continuous alignment with their external context. As Bertalanffy (1950) emphasized, open systems must remain responsive to economic, social, and technological factors. In the Nigerian financial sector, this means that banks must adapt their internal accounting systems not only to leverage technological innovation (e.g., CBAS) but also to ensure compliance with ever-evolving regulatory standards.

Miller and Rice (1967) argued that organizational effectiveness depends on the integration of environmental responsiveness with internal competence, including the strategic application of technology and adherence to regulatory norms. This perspective aligns directly with the research objective, which seeks to assess how the adoption of cloud-based accounting systems when effectively aligned with regulatory frameworks can enhance the timeliness, accuracy, transparency, and overall quality of financial reporting in Nigerian DMBs.

Furthermore, System Theory challenges reductionist views that isolate technology or regulation as stand-alone factors. Instead, it advocates for a holistic and integrative approach, in which CBAS, regulatory compliance, organizational structure, and external pressures are all interdependent components influencing reporting outcomes. This is particularly relevant in the context of Nigeria's evolving financial landscape, where regulatory demands, stakeholder expectations, and technological transformation converge to influence the reporting practices and strategic direction of deposit money banks (Chikere and Nwoka, 2021). System Theory provides a theoretical foundation for understanding how Nigerian DMBs can enhance financial reporting quality through the strategic integration of cloud-based technologies and compliance mechanisms within an open-system framework. It reinforces the need for adaptability, interconnectivity, and proactive alignment with the external environment to ensure long-term performance and regulatory credibility.

Institutional Theory

Institutional Theory, originally developed by sociologists John W. Meyer and Brian Rowan in 1977, explains how organizations are influenced by the social and regulatory environments in which they operate. The theory posits that organizations adopt structures, systems, and practices not only based on technical efficiency but also to gain legitimacy by conforming to prevailing societal norms, laws, and expectations (Meyer and Rowan, 1977).

In highly regulated sectors like banking, this theory helps explain why Nigerian Deposit Money Banks (DMBs) adopt innovations such as cloud-based accounting systems (CBAS) and emphasize regulatory compliance. These actions are responses to coercive pressures from regulatory bodies such as the Central Bank of Nigeria (CBN) and the Financial Reporting Council (FRC), which enforce adherence to financial reporting standards like the International Financial Reporting Standards (IFRS) (Scott and Davis, 2021; Nwaubani and Okoro, 2018).

Beyond coercive forces, normative pressures from professional accounting institutions and mimetic pressures arising from competition also encourage banks to align their accounting and reporting systems with industry best practices. This institutional isomorphism results in banks adopting cloud-based technologies to enhance transparency, accuracy, and comparability in financial reporting, thereby improving Financial Reporting Quality (FRQ) (Aggreh *et al*., 2018; Fali *et al*., 2021).

Empirical studies confirm that regulatory compliance and technology adoption, shaped by institutional forces, significantly improve financial reporting quality in Nigerian banks. For instance, IFRS adoption driven by institutional mandates has led to greater transparency and stakeholder confidence in the banking sector (Okoye and Ezejiofor, 2020; Ojeh *et al*., 2025). Cloud-based accounting systems similarly serve both functional and symbolic roles, signaling banks' commitment to technological advancement and compliance (Almulla and Aribi, 2022). Institutional Theory provides a relevant framework for understanding how Nigerian Deposit Money Banks navigate their institutional environment by adopting cloud-based accounting systems and complying with regulatory requirements. These adaptations enhance legitimacy, ensure compliance, and ultimately improve the quality of financial reporting in a competitive and evolving financial landscape.

Empirical Review

Huang *et al*, (2021), in their study titled "The Impact of Cloud-Based Accounting Information Systems on Financial Reporting Quality: Evidence from Chinese Listed Firms," investigated how adopting cloud-based accounting information systems (AIS) affects financial reporting quality among Chinese listed companies. Using financial data analysis and regression models, the study examined the influence of cloud-based AIS on reporting accuracy, timeliness, and transparency. The results indicated that firms utilizing cloud-based AIS exhibited improved financial reporting quality, characterized by fewer errors, shorter reporting cycles, and greater disclosure transparency compared to those relying on traditional on-premise AIS. The study concluded that adopting cloud-based AIS positively impacts financial reporting quality, emphasizing the strategic role of cloud technology in enhancing transparency and reliability in financial reporting. However, the analysis may not fully account for potential confounding factors or alternative explanations that could influence the relationship between cloud-based AIS adoption and financial reporting quality in Chinese listed firms.

Wisdom (2022) conducted a study examining the impact of cloud-based accounting on the operational performance of publicly traded manufacturing firms in Nigeria. Utilizing both primary and secondary data sources, the research analysed a randomly selected sample of ten manufacturing companies. The findings indicated that cloud accounting adoption and related expenses significantly influenced the operational efficiency of these firms. The study recommended corporate strategies to minimize cloud accounting costs and the establishment of accounting standards to align various cost components of cloud accounting with the financial structures of manufacturing firms.

Jones and Silva (2022) investigated professional accountants' attitudes toward the adoption of cloud-based accounting systems in Ghana, focusing on their implications for financial reporting. Their findings indicated that 75% of respondents believed these systems enhanced data transparency and reporting accuracy, mainly due to features such as real-time access and automated data processing. However, 25% of participants expressed concerns regarding data integrity and system reliability, citing potential risks such as cybersecurity threats and technical disruptions.

Davis and Cooper (2023) presented a forward-looking study on the technological trajectory of cloud-based accounting in South Africa. They predicted that future advancements will be characterized by the integration of enhanced cybersecurity protocols, AI-driven automation, and blockchain technology. According to their analysis, these innovations are expected to further improve the accuracy, integrity, and auditability of financial data. The study suggests that as these technologies mature, cloud accounting systems will become more robust in meeting both organizational and regulatory demands for high-quality financial reporting.

Masoudi (2023) analysed the role of financial technology (FinTech) in improving banking performance quality. Conducted as a case study at the Local Development Bank agency in Adrar, the research employed a descriptive-analytical approach. The findings highlighted the role of financial technology in enhancing customer access to banking services, particularly amid the digital transformation era. The study emphasized the necessity for banks to integrate financial technology to remain competitive and improve service efficiency.

Kmaleh (2023) investigated the impact of cloud-based accounting on the quality of accounting information and its reflection on the development of international financial reporting standards (IFRS) in Jordanian corporations. Using a mixed-methods approach, combining theoretical frameworks with practical analysis through file reviews and interviews with managers and accountants, the study finds that cloud-based accounting significantly enhances the quality and credibility of accounting information. This is attributed to the integration of key cloud components such as customers, infrastructure, applications, and platforms, which facilitate timely, accurate, and accessible accounting data. However, the study also highlights critical risks associated with cloud-based accounting, including security vulnerabilities, contractual challenges, and the potential for human errors. These risks necessitate the development of comprehensive regulatory frameworks and codes of conduct tailored to cloud technology within the accounting profession.

Faith and Kariuki (2024) examined the effects of digital transformation on the quality of financial reporting in the Nairobi City County Government, Kenya. The study was motivated by persistent issues in reporting quality and rising instances of deceptive practices, despite ongoing policy reforms aimed at enhancing accountability and transparency. Using a sample of 105 officers from the Department of Finance and Economic Planning, the study adopted both descriptive and explanatory designs. Data collected through structured questionnaires were analysed using inferential and descriptive statistics. The findings indicate that digital transformation particularly the use of big data technology has a significantly positive impact on the quality of financial reporting. These results suggest that digital tools can be leveraged to improve accuracy, reliability, and transparency in public sector reporting, although the study also highlights the need to address conceptual and contextual limitations in existing literature.

Ndah and Ekwueme (2024) examined the relationship between cloud-based accounting information systems (CBAIS) and the performance of quoted banks in Rivers State, Nigeria. The study focused on three key components of CBAIS system quality, information quality, and service quality and analysed their effects on performance indicators such as net profit margin and return on assets. Adopting a cross-sectional survey design

and employing Ordinary Least Squares (OLS) regression, the study found that all three components of CBAIS had statistically significant relationships with bank performance. The results underscored the importance of technological infrastructure in driving financial performance and suggested that Nigerian banks should strategically invest in CBAIS to maintain a competitive edge and improve operational efficiency.

Onifade and Dedire-Ampitan (2024) examined the impact of cloud-based accounting technologies on the financial performance of listed Deposit Money Banks in Nigeria, using Return on Assets (ROA) as the performance indicator. Employing panel EGLS regression on data from ten listed banks, the study investigated the effects of Automated Chatbot Banking Services (ACBS), Deep Learning in Credit Risk Assessment (DLM), and Machine Learning Solutions (MLS). Findings indicate that none of these cloud-based technologies had a statistically significant effect on ROA. Interestingly, firm size demonstrated a significant negative relationship with ROA, suggesting that larger banks may face operational complexities that diminish the expected benefits of cloud-based accounting. The study concludes that while cloud computing holds potential for operational enhancement, its current adoption has not translated into measurable improvements in financial performance for Nigerian banks.

METHODOLOGY

This study adopts a survey research design, which is appropriate for examining relationships among variables in a natural organisational context. A survey design facilitates the collection of large volumes of quantifiable data from a defined population, allowing for the generalisation of findings to a broader context (Saunders *et al*, 2019). This design is particularly relevant for the current study, which seeks to assess the impact of cloud-based accounting systems (CBAS) and regulatory compliance on the financial reporting quality (FRQ) of Nigerian Deposit Money Banks (DMBs).

The population of this study comprises of professionals directly involved in financial reporting processes within Nigerian Deposit Money Banks (DMBs). According to the Central Bank of Nigeria (CBN), as of April 26, 2024, there are 43 licensed Deposit Money Banks (DMBs) in Nigeria. These banks are categorized based on their operational jurisdiction and the nature of services they offer. However, for the purpose of this study, only commercial banks and non-interest banks will be considered, as they engage extensively in financial reporting and regulatory compliance. The relevant population includes Commercial Banks with International Authorization (7), Commercial Banks with National Authorization (15), Commercial Banks with Regional Authorization (4), and Non-Interest Banks with National Authorization (4).

The sample size for this study was determined using GPower 3.1.9.7 to ensure adequate statistical power for testing the effect of trust, communication, service quality, and customer engagement on customer retention among eateries in Ado Ekiti. Using F-tests for multiple linear regression (fixed model, R^2 deviation from zero), with a medium effect size ($f^2 = 0.15$), significance level ($\alpha = 0.05$), power ($1 - \beta = 0.80$), and four predictors, GPower indicated a minimum sample size of 85 respondents. However, to enhance generalizability, improve precision, and account for possible non-response or invalid questionnaires, the study adopted a larger sample size of 400 respondents, thereby ensuring sufficient statistical power and robustness of the findings.

This study relied exclusively on primary data collected directly from respondents through a structured questionnaire, with no use of secondary data sources. The questionnaire was administered both electronically via Google Forms and physically to selected respondents. It consisted of close-ended questions designed to measure the key constructs of CBAS and FRQ using a five-point Likert scale ranging from Strongly Disagree (1) to Strongly Agree (5). The instrument was carefully structured into sections covering the study variables to ensure clarity, relevance, and ease of response. The collected data were analysed using the Statistical Package for the Social Sciences (SPSS). Descriptive statistics such as mean, standard deviation, and frequency were used to summarize responses, while inferential statistics, including correlation and multiple regression analysis, were employed to test the hypotheses and determine the effect of CBAS on FRQ.

In line with the study's conceptual framework, a multiple regression model is developed to examine the relationship between Cloud-Based Accounting Systems (CBAS) and Financial Reporting Quality (FRQ) in

Nigerian Deposit Money Banks (DMBs). The model is structured to assess the influence of key CBAS components security and compliance, cost-effectiveness, user-friendliness and accessibility, integration and scalability, on various dimensions of financial reporting quality. The functional form of the model is specified as follows;

$FRQ = f(CBAS)$ ..... (3.1)

The econometric form of the model is specified as:

$FRQ = \beta_0 + \beta_1 \text{SC} + \beta_2 CE + \beta_3 UA + \beta_4 IS + \beta_5 RC + \mu$ .....(3.2)

Where:

FRQ = Financial Reporting Quality (dependent variable), SC = Security and Compliance,

$CE =$ Cost-effectiveness, $UA =$ User-friendliness and Accessibility, $IS =$ Integration and Scalability, $RC =$ Regulation Compliance, $\beta_0, \beta_1, \beta_2, \beta_3, \beta_4 \; and \; \beta_5 =$ Parameters estimators $\mu =$ Error term

To capture the specific research objectives, four distinct models are developed:

Model 1

This model assesses the influence of cloud-based accounting systems on financial report transparency and disclosure quality in Nigerian Deposit Money Banks'. The model is specified as follow:

$TDQ = f(\text{SC}, \text{CE}, \text{UA}, \text{IS})$ .....(3.3)

$TDQ = \beta_0 + \beta_1 \text{SC} + \beta_2 CE + \beta_3 UA + \beta_4 IS + \mu$ .....(3.4)

Where:

$TDQ =$ Transparency and Disclosure Quality (dependent variable), SC = Security and Compliance, $CE =$ Cost-effectiveness, $UA =$ User-friendliness and Accessibility, $IS =$ Integration and Scalability, $\beta_0 =$ Constant term, $\beta_1, \beta_2, \beta_3, \; \beta_4 =$ Regression coefficients, $\mu =$ Error term

Model 2

This model determines the impact of cloud-based accounting systems on the reliability and accuracy of reported earnings in Nigerian Deposit Money Banks'. The model is specified as follow:

$RE = f(\text{SC}, \text{CE}, \text{UA}, \text{IS})$ .....(3.5)

$RE = \beta_0 + \beta_1 \text{SC} + \beta_2 CE + \beta_3 UA + \beta_4 IS + \mu$ .....(3.6)

Where:

$RE =$ Reported Earnings (dependent variable), SC = Security and Compliance, $CE =$ Cost-effectiveness, $UA =$ User-friendliness and Accessibility, $IS =$ Integration and Scalability, $\beta_0 =$ Constant term, $\beta_1, \beta_2, \beta_3, \; \beta_4 =$ Regression coefficients, $\mu =$ Error term

Model 3

This model examines the effect of cloud-based accounting systems on the timeliness and efficiency of financial reporting in Nigerian Deposit Money Banks'. The model is specified as follow:

$TE = f(\text{SC}, \text{CE}, \text{UA}, \text{IS})$ .....(3.7)

$TE = \beta_0 + \beta_1 \text{SC} + \beta_2 CE + \beta_3 UA + \beta_4 IS + \mu$ .....(3.8)

Where:

$TE =$ Timeliness and Efficiency (dependent variable), $\text{SC} =$ Security and Compliance, $CE =$ Cost-effectiveness, $UA =$ User-friendliness and Accessibility, $IS =$ Integration and Scalability, $\beta_0 =$ Constant term, $\beta_1, \beta_2, \beta_3, \beta_4 =$ Regression coefficients, $\mu =$ Error term

RESULTS AND DISCUSSION

The data collection process yielded a robust response, which is fundamental for the validity of survey-based research (Saunders et al., 2019). Out of the 400 questionnaires distributed to targeted professionals across selected Deposit Money Banks in Nigeria, a total of 357 were properly completed and returned. This represents a response rate of 89.25%, which is considered excellent for survey-based research in the organizational and management sciences (Hair et al., 2019). According to contemporary methodological standards, a response rate above 70% significantly mitigates concerns related to non-response bias and enhances the representativeness and reliability of the collected data (Mendoza et al., 2023). Therefore, the obtained response rate substantially strengthens the credibility and generalizability of this study's findings to the population of Nigerian Deposit Money Banks.

Demographic Profile of Respondents

This section presents the demographic characteristics of the 357 respondents who participated in the study. The analysis provides insights into the background of the professionals involved in financial reporting and cloud accounting systems within Nigerian Deposit Money Banks, which is crucial for establishing the credibility and context of the data (Saunders et al., 2019).

Gender Distribution of Respondents

The demographic profile of respondents serves as an important foundation for interpreting the findings of this study, as it highlights the characteristics of the professionals whose perspectives shape the results. Among these demographics, gender distribution is particularly significant because it provides insight into representation within the Nigerian banking workforce. Out of the 357 banking professionals surveyed, the gender breakdown is presented in figure 4.1. This visualization offers a clear and immediate understanding of how male and female respondents are represented in the sample, thereby enhancing the credibility and context of the data used in the analysis.

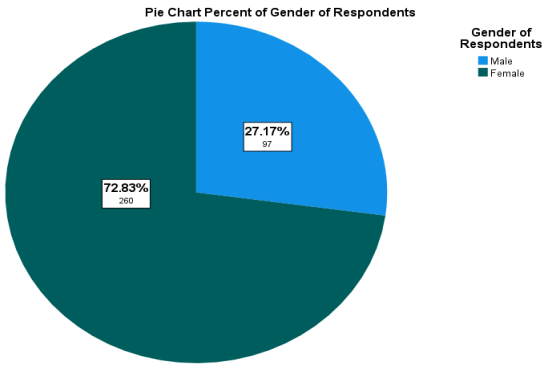

Figure 4.1: Gender Distribution of Respondents

Source: Field Survey (2025)

The analysis of gender distribution, as presented in Figure 4.1, highlights a clear gender imbalance within the respondent pool. Female professionals form the overwhelming majority, representing 72.8% (n=260) of the total sample of 357 banking professionals, while male participants account for 27.2% (n=97).

This distribution suggests that the study's findings on cloud-based accounting systems (CBAS) and financial reporting quality (FRQ) are shaped largely by the experiences and perspectives of female professionals working in Nigerian Deposit Money Banks. Far from being a sampling anomaly, this pattern reflects the actual demographic reality of the banking workforce in Nigeria, where women are strongly represented in finance, accounting, and customer service functions.

The predominance of female respondents enhances the ecological validity of the study by mirroring the true composition of the sector's workforce. It also highlights the significant role women play in shaping financial reporting practices and technology adoption in Nigerian banks. At the same time, the lower representation of male professionals indicates that gendered differences in attitudes toward CBAS adoption, if any, may be underexplored, creating an avenue for future research to examine potential contrasts in technological acceptance and reporting behaviour across genders.

Age Distribution of Respondents

Following the gender profile, the age distribution of respondents emerges as another critical demographic variable. Age is particularly important because it highlights the generational composition of the banking professionals surveyed, which in turn provides insights into potential differences in experience levels, openness to innovation, and technological adaptability within the workforce. By examining the breakdown of participants across distinct age groups, this study captures the diversity of perspectives that may influence how cloud-based accounting systems are adopted and utilized in practice. The age distribution of the respondents is presented in figure 4.2.

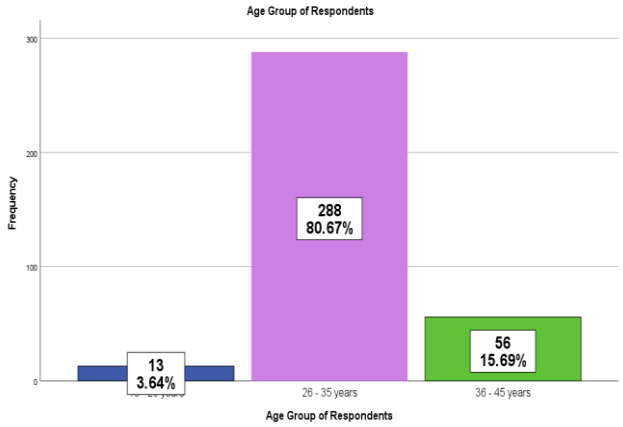

Figure 4.2: Age Distribution of Respondents

Source: Field Survey (2025)

Figure 4.2 shows a clear concentration of respondents within the 26–35 years age bracket, which accounts for the vast majority of the sample at 80.7% (n=288). The 36–45 years group makes up a smaller but still substantial segment at 15.7% (n=56), while the youngest cohort (18–25 years) is minimally represented at 3.6% (n=13).

This distribution indicates that the study's data is drawn primarily from a young and digitally native workforce, whose familiarity with modern technology makes them more adaptable to innovations such as cloud-based accounting systems. The dominance of the 26–35 age group further suggests that the findings reflect the perspectives of professionals in the early to mid-stages of their careers, a stage where they are heavily involved in day-to-day operations and system implementation. At the same time, the inclusion of older respondents provides some balance, capturing insights from those with greater institutional experience.

The predominance of younger professionals implies that the study's findings are shaped by a group likely to be more open to change, eager to embrace technological tools, and directly engaged with the practical use of CBAS in financial reporting. This enhances the relevance of the data for evaluating the operational adoption of cloud-based systems. However, the relatively smaller representation of older professionals suggests that perspectives

on long-term strategic implications and regulatory conservatism may be less pronounced in the dataset, an aspect that future research may need to explore further.

Educational Qualification of Respondents

The educational background of respondents is an essential demographic factor, as it directly relates to their ability to understand and critically evaluate the technical and procedural aspects of cloud-based accounting systems (CBAS) and financial reporting quality (FRQ). Higher levels of academic attainment often correspond with greater exposure to professional training, analytical skills, and familiarity with emerging technologies in the financial sector. By presenting the distribution of respondents according to their highest academic qualifications, this study provides a clearer picture of the intellectual and professional capacity represented within the sample. The figure 4.3 illustrate the academic qualifications attained by the participants.

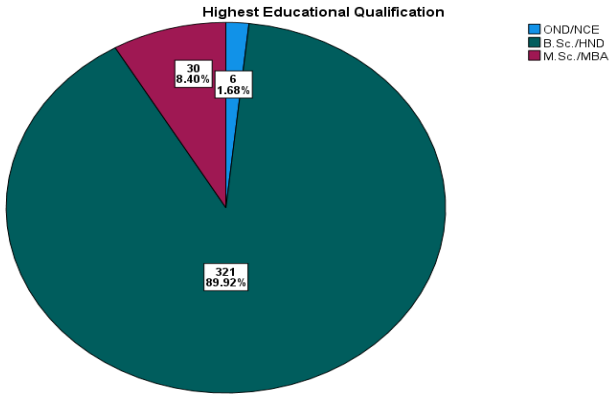

Figure 4.3: Highest Educational Qualification of Respondents

Source: Field Survey (2025)

The analysis of educational qualifications highlights an exceptionally high level of academic attainment among the respondents. A vast majority, 89.9% (n=321), possess a Bachelor's degree or Higher National Diploma (B.Sc./HND), confirming this as the standard entry-level qualification for professionals in the Nigerian banking sector. A smaller yet notable segment, 8.4% (n=30), hold postgraduate degrees (M.Sc./MBA), reflecting advanced academic and professional training, while only 1.7% (n=6) have OND/NCE qualifications, representing the least common category.

This highly educated profile significantly strengthens the credibility of the study, as it ensures that the perspectives gathered are drawn from respondents with the intellectual capacity and professional expertise to engage meaningfully with the subject matter. Moreover, the concentration of graduate and postgraduate qualifications indicates that the sample is not only representative of industry norms but also capable of providing well-informed insights into the technical and regulatory nuances of cloud-based accounting systems and financial reporting quality.

The implications of this finding are noteworthy. A workforce dominated by graduates and postgraduates is more likely to demonstrate openness to technological innovation, a critical factor in CBAS adoption. At the same time, their training equips them to understand the complexities of financial reporting standards and the regulatory compliance requirements that shape banking operations in Nigeria. Consequently, the high level of educational attainment among respondents provides strong assurance that their evaluations of CBAS adoption are both credible and practically grounded.

Job Role Distribution of Respondents

The professional background of respondents, reflected in their distribution across different departments, is fundamental to understanding the interdisciplinary perspectives that shape the adoption and use of cloud-based

accounting systems (CBAS). Job roles play a critical part in determining how individuals engage with financial reporting processes—while accountants and finance officers may focus on data accuracy and compliance, IT specialists emphasize system security and integration, and managers prioritize decision support and efficiency. By examining the respondents' roles, this study captures a broad range of viewpoints that collectively provide a holistic understanding of how CBAS influences financial reporting quality. The distribution of participants by job role is presented in figure 4.4.

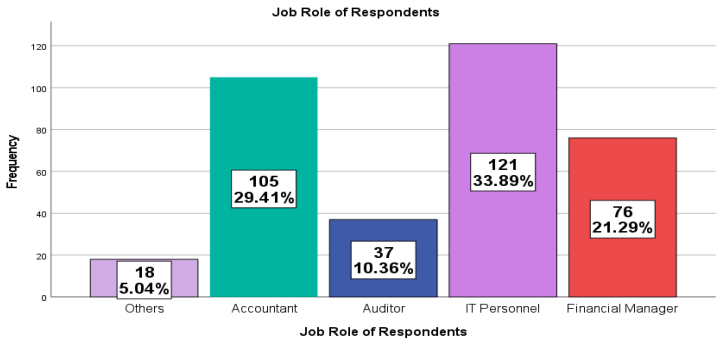

Figure 4.4: Job Role Distribution of Respondents

Source: Field Survey (2025)

The distribution of respondents by job role reflects a well-balanced representation of the core departments that play pivotal roles in financial reporting and technology adoption within the banking sector. IT personnel make up the largest group, 33.9% (n=121), underscoring the centrality of technology experts in implementing and maintaining cloud-based accounting systems. Accountants follow closely at 29.4% (n=105), ensuring that the financial and compliance aspects of reporting are strongly represented. Financial Managers, accounting for 21.3% (n=76), contribute valuable perspectives on strategy, resource allocation, and decision-making processes that guide organizational adoption of technology. Meanwhile, Auditors, representing 10.4% (n=37), bring an essential oversight function, focusing on transparency, risk management, and regulatory compliance.

This balanced distribution across technical, financial, managerial, and oversight functions ensures that the findings of this study are informed by a holistic set of perspectives. It not only validates the credibility of the dataset but also enhances the practical relevance of the results, as they reflect the views of all key stakeholders directly involved in the deployment and utilization of cloud-based accounting systems. By capturing insights from multiple functional areas, the research findings are better positioned to guide effective organizational implementation and policy formulation.

The strong representation of IT personnel and accountants highlights the dual emphasis placed on system integration and financial data accuracy within Nigerian banks. At the same time, the inclusion of financial managers and auditors underscores the importance of balancing technological efficiency with strategic decision-making and compliance requirements. This suggests that successful adoption of CBAS in the sector will depend on coordinated collaboration between these groups, ensuring that innovations in technology are fully aligned with financial reporting standards and regulatory expectations.

Years of Experience in Banking Sector

Professional experience serves as a critical determinant of expertise in assessing complex systems such as cloud-based accounting platforms. The number of years respondents have spent in the banking sector provides valuable insight into their level of institutional familiarity, technical competence, and capacity to evaluate both the opportunities and challenges associated with adopting new technologies. Experienced professionals may draw on extensive exposure to traditional systems and regulatory practices, while relatively younger professionals may demonstrate greater adaptability and openness to innovation. By presenting the distribution of respondents according to their years of service, this study captures the depth and diversity of professional knowledge that

informs the analysis of cloud-based accounting systems. The breakdown of respondents by years of service is presented in figure 4.5.

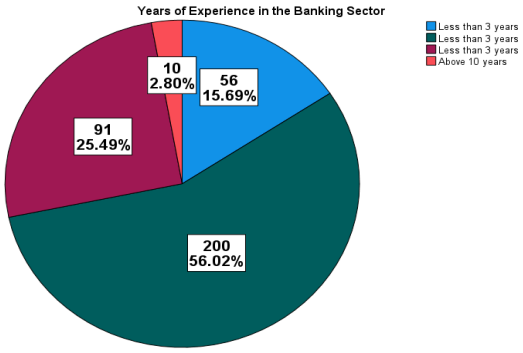

Figure 4.5: Years of Experience in Banking Sector

Source: Field Survey (2025)

The analysis of professional experience reveals that a majority of respondents possess substantial tenure within the banking industry. Over half of the sample, 56.0% (n=200), have between 3–5 years of experience, reflecting a group that has acquired solid industry knowledge and familiarity with standard financial reporting practices. This is complemented by a significant proportion, 25.5% (n=91), with 6–10 years of experience, indicating deeper exposure to multiple reporting cycles, regulatory changes, and technological transitions within the sector. Respondents with less than three years of experience constitute 15.7% (n=56), representing newer entrants who may offer fresh perspectives but have relatively limited exposure to institutional processes. Only 2.8% (n=10) of respondents have more than ten years of experience, reflecting a smaller pool of highly seasoned professionals, likely occupying more senior or supervisory roles.

This distribution suggests that the study's findings are primarily shaped by respondents with sufficient experience to understand the operational realities of the banking industry, while still being actively involved in the technical implementation and day-to-day use of accounting systems. The relatively strong representation of mid-level professionals ensures that the perspectives gathered reflect both technical competence and practical involvement in financial reporting processes. At the same time, the presence of newer and highly experienced professionals adds diversity of insight, balancing innovative adaptability with long-term institutional memory. Overall, this experience profile enhances the credibility of the dataset, as it is grounded in the perspectives of practitioners who are knowledgeable, engaged, and directly affected by the adoption of cloud-based accounting systems.

The dominance of mid-level professionals (3–10 years of experience) is particularly significant for CBAS adoption. These individuals are often at the heart of system implementation, daily operations, and compliance tasks, giving them a unique perspective on both the benefits and challenges of new technologies. Their active engagement makes them key drivers of organizational change, while their accumulated experience ensures informed evaluations of system effectiveness. Meanwhile, the inclusion of less experienced and highly experienced professionals provides balance, bringing fresh adaptability from younger staff and strategic oversight from senior practitioners. Together, this mix positions the findings of the study as both practically relevant and strategically grounded.

Test of Hypotheses

Objective One: To Assess the Influence of Cloud-Based Accounting Systems on Financial Report Transparency and Disclosure Quality in Nigerian Deposit Money Banks

Hypothesis Tested (H_{01}): Cloud-based accounting does not significantly influence financial report transparency and disclosure quality in Nigerian Deposit Money Banks.

A multiple linear regression was conducted to test this hypothesis, with financial report transparency and disclosure quality as the dependent variable and the four dimensions of cloud-based accounting systems (security and compliance, cost-effectiveness, user-friendliness and accessibility, and integration and scalability) as independent variables. The results are presented in Table 4.1.

Table 4.1: Multiple Regression Analysis for Transparency and Disclosure Quality (H_{01})

Predictor	**Unstandardized Coefficients (B)**	**Std. Error**	**t-statistic**	**p-value**
(Constant)	-1.730	1.629	-1.062	0.289
Security & Compliance	0.225*	0.105	2.153	0.032
Cost-Effectiveness	0.862***	0.121	7.133	0.000
User-Friendliness & Accessibility	-0.204	0.154	-1.326	0.186
Integration & Scalability	0.184*	0.076	2.426	0.016
Model Summary	$R = 0.913$, $R^2 = 0.833$, Adjusted $R^2 = 0.831$			
ANOVA	$F(4, 351) = 437.77$, $p < 0.001$			

*Note: *p < .05, ** p < .01, *** p < .001*

Dependent Variable: Transparency and Disclosure Quality.

Source: Field Survey (2025)

The regression model was statistically significant, $F(4, 351) = 437.77$, $p < 0.001$, indicating that the combined effect of the cloud-based accounting system dimensions significantly predicts financial report transparency and disclosure quality. The model explains 83.3% of the variance in the dependent variable ($R^2 = 0.833$), demonstrating a very strong explanatory power (Cohen, 1988).

An analysis of the individual predictors reveals distinct influences. Cost-effectiveness emerged as the strongest positive predictor ($B = 0.862$, $p < 0.001$). This suggests that the financial savings from reduced IT infrastructure and streamlined processes are a primary driver for achieving higher transparency. These efficiencies likely free up resources that can be invested in robust disclosure mechanisms and comprehensive reporting practices (Ibrahim et al., 2022).

Furthermore, security and compliance ($B = 0.225$, $p = 0.032$) and integration and scalability ($B = 0.184$, $p = 0.016$) also showed significant positive effects. The significance of security and compliance underscores that in a highly regulated sector like banking, features that ensure data protection and regulatory adherence are fundamental to building the trust necessary for transparent reporting (Meyer & Rowan, 1977). This aligns with Institutional Theory, which posits that organizations adopt structures and systems to gain legitimacy and confidence from external stakeholders. The positive role of integration and scalability indicates that seamless data flow and system interoperability are crucial for producing consistent and comprehensive disclosures across the organization, supporting the tenets of System Theory regarding the importance of interconnected subsystems (Bertalanffy, 1950).

Conversely, user-friendliness and accessibility did not have a statistically significant effect ($B = -0.204$, $p = 0.186$). This implies that while an intuitive interface may aid in the general adoption of the technology, it is not,

by itself, a decisive factor in enhancing the depth and clarity of financial disclosures. The core drivers are instead rooted in economic, security, and integrative functionalities.

Based on the overall significance of the regression model and the significant contributions of key predictors, the null hypothesis (H_{01}) is rejected. It is concluded that cloud-based accounting systems have a statistically significant and positive influence on financial report transparency and disclosure quality in Nigerian Deposit Money Banks.

This finding corroborates previous research that links cloud accounting adoption to improved reporting accuracy and a reduction in information asymmetry (Huang et al., 2021; Akai et al., 2023). For bank managers and regulators, the results highlight that strategic investment should prioritize cloud systems that deliver tangible cost savings, robust security protocols, and deep operational integration to maximize transparency benefits, rather than focusing solely on user-interface simplicity.

Objective Two: To Determine the Impact of Cloud-Based Accounting Systems on the Reliability and Accuracy of Reported Earnings in Nigerian Deposit Money Banks

Hypothesis Tested (Ho_2): Cloud-based accounting has no significant impact on the reliability and accuracy of reported earnings in Nigerian Deposit Money Banks.

A multiple linear regression was conducted to test this hypothesis, with the reliability and accuracy of reported earnings as the dependent variable and the four dimensions of cloud-based accounting systems as independent variables. The results are presented in Table 4.2.

Table 4.2: Multiple Regression Analysis for Reliability and Accuracy of Reported Earnings (H_{02})

Predictor	**Unstandardized Coefficients (B)**	**Std. Error**	**t-statistic**	**p-value**
(Constant)	1.266*	0.588	2.151	0.032
Security & Compliance	0.541***	0.038	14.318	0.000
Cost-Effectiveness	0.052	0.044	1.198	0.232
User-Friendliness & Accessibility	0.167**	0.056	2.997	0.003
Integration & Scalability	0.215***	0.027	7.852	0.000
Model Summary	$R = 0.981$, $R^2 = 0.963$, Adjusted $R^2 = 0.963$			
ANOVA	$F(4, 351) = 2302.73$, $p < 0.001$			

*Note: *p < .05, ** p < .01, *** p < .001*

Dependent Variable: Reliability and Accuracy of Reported Earnings.

Source: Field Survey (2025)

The regression model was statistically significant, $F(4, 351) = 2302.73$, $p < 0.001$, indicating that the cloud-based accounting system dimensions jointly have a significant impact on the reliability and accuracy of reported earnings. The model demonstrates an exceptionally strong explanatory power, accounting for 96.3% of the variance in the dependent variable ($R^2 = 0.963$), which is considered a very large effect size in social science research (Cohen, 1988).

Analysis of the individual coefficients reveals a clear hierarchy of influential factors. Security and compliance emerged as the most potent predictor (B = 0.541, $p < 0.001$). This finding underscores that in the banking sector, where data integrity is paramount, features that ensure protection against cyber threats and guarantee adherence to financial regulations are foundational to credible earnings reports. This aligns with Stakeholder Theory, as robust security and compliance mechanisms are critical for maintaining trust and legitimacy among investors, regulators, and depositors (Freeman, 1984).

Furthermore, integration and scalability (B = 0.215, $p < 0.001$) demonstrated a strong and significant effect. This indicates that the ability of cloud systems to seamlessly connect with other banking platforms and scale with transaction volumes is vital for maintaining data consistency and processing accuracy. This finding supports System Theory, emphasizing that the interoperability of technological subsystems is crucial for achieving reliable organizational outputs (Bertalanffy, 1950).

User-friendliness and accessibility also had a significant, though relatively weaker, positive impact (B = 0.167, $p = 0.003$). This suggests that intuitive system design contributes to earnings accuracy by minimizing human data-entry errors and streamlining complex accounting processes. This resonates with the Technology Acceptance Model (TAM), which posits that perceived ease of use is a key determinant of effective technology utilization and, by extension, the quality of its outputs (Davis, 1989).

In contrast, cost-effectiveness was not statistically significant (B = 0.052, $p = 0.232$). This nuanced result indicates that while cost savings are a recognized benefit of cloud-based adoption, they do not directly translate into more reliable earnings figures. This suggests that Nigerian banks, when prioritizing the integrity of financial reporting, focus on the qualitative aspects of the technology, security, integration, and usability, over purely economic considerations (Al-Okaily et al., 2022).

Given the overwhelming statistical significance of the overall model and the majority of its predictors, the null hypothesis (H_{02}) is rejected. It is concluded that cloud-based accounting systems have a statistically significant and positive impact on the reliability and accuracy of reported earnings in Nigerian Deposit Money Banks.

This finding affirms that the path to trustworthy earnings reporting in the digital era is paved with technological robustness. For bank executives and software developers, the implication is clear: investments in cloud accounting must prioritize state-of-the-art security protocols, deep system integration, and user-centric design to materially enhance the credibility of financial statements.

Objective Three: To examine the effect of cloud-based accounting systems on the timeliness and efficiency of financial reporting in Nigerian Deposit Money Banks

Hypothesis Tested (H_{03}): Cloud-based accounting does not significantly affect the timeliness and efficiency of financial reporting in Nigerian Deposit Money Banks.

A multiple linear regression was conducted to test this hypothesis, with the timeliness and efficiency of financial reporting as the dependent variable and the four dimensions of cloud-based accounting systems as independent variables. The results are presented in Table 4.3.

Table 4.3: Multiple Regression Analysis for Timeliness and Efficiency of Financial Reporting (H_{03})

Predictor	Unstandardized Coefficients (B)	Std. Error	t-statistic	p-value
(Constant)	3.644***	0.657	5.544	0.000
Security & Compliance	0.082	0.042	1.943	0.053
Cost-Effectiveness	0.752***	0.049	15.408	0.000

User-Friendliness & Accessibility	-0.867***	0.062	-13.959	0.000
Integration & Scalability	0.951***	0.031	31.015	0.000
Model Summary	$R = 0.957$, $R^2 = 0.917$, Adjusted $R^2 = 0.916$			
ANOVA	$F(4, 351) = 966.18$, $p < 0.001$			

*Note: *p < .05, ** p < .01, *** p < .001*

Dependent Variable: Timeliness and Efficiency of Financial Reporting.

Source: Field Survey (2025)

The regression model was statistically significant, $F(4, 351) = 966.18$, $p < 0.001$, indicating that the cloud-based accounting system dimensions jointly have a significant effect on the timeliness and efficiency of financial reporting. The model explains 91.7% of the variance in the dependent variable ($R^2 = 0.917$), demonstrating an exceptionally strong explanatory power (Cohen, 1988).

The analysis of the regression coefficients reveals a compelling and nuanced picture. Integration and scalability emerged as the most powerful predictor ($B = 0.951$, $p < 0.001$). This finding underscores that the ability of cloud systems to seamlessly interconnect with existing banking platforms and effortlessly scale with data volume is paramount for rapid report generation. This aligns with System Theory, which posits that the efficiency of an entire system is dependent on the smooth interaction and adaptability of its components (Bertalanffy, 1950). Automated data flows eliminate manual reconciliation delays, directly enhancing timeliness.

Furthermore, cost-effectiveness demonstrated a strong positive influence ($B = 0.752$, $p < 0.001$). This suggests that the financial savings from reduced hardware maintenance, manual labour, and software upgrades are directly channeled into streamlining reporting processes, enabling faster and more efficient financial closure cycles (Ibrahim et al., 2022).

A striking and counter-intuitive finding is the significant negative relationship between user-friendliness and accessibility and timeliness ($B = -0.867$, $p < 0.001$). This challenges the conventional wisdom of the Technology Acceptance Model (TAM), which typically posits a positive link between ease of use and performance (Davis, 1989). In the context of complex banking reporting, this result may indicate that an over-simplified interface leads to unintended consequences. Potential explanations include: (1) Oversimplification Risk: Systems designed for extreme ease of use may lack the advanced controls and detailed data validation rules required for complex financial reporting, leading to errors that require time-consuming corrections (Venkatesh & Bala, 2008); (2) Insufficient Training: A perception of "ease" might result in inadequate staff training, causing users to employ inefficient workarounds or fail to utilize time-saving automated features fully.

Conversely, security and compliance did not have a statistically significant effect ($B = 0.082$, $p = 0.053$). This implies that while security protocols are non-negotiable for data integrity, they do not inherently speed up the reporting process. In some cases, stringent security checks and compliance validations could even introduce minor delays, though this effect appears neutral in the Nigerian banking context. This finding suggests that security functions as a quality safeguard rather than a direct driver of speed (Ifinedo, 2018).

Given the overwhelming significance of the overall model and the strength of its key predictors, the null hypothesis (H_{03}) is rejected. It is concluded that cloud-based accounting systems have a statistically significant and substantial effect on the timeliness and efficiency of financial reporting in Nigerian Deposit Money Banks.

This finding offers a critical theoretical refinement: while user-friendliness drives initial technology adoption, it does not automatically translate into operational efficiency for complex professional tasks. For practice, this implies that bank managers and technology vendors should prioritize robust integration capabilities and clear

cost-benefits while ensuring that user-friendly designs do not compromise the powerful, automated functionalities necessary for timely financial reporting.

CONCLUSION AND RECOMMENDATIONS

Based on the comprehensive analysis conducted in this study, it can be concluded that cloud-based accounting systems (CBAS) represent a transformative force in enhancing financial reporting quality in Nigerian Deposit Money Banks. The evidence demonstrates that CBAS positively influence transparency, reliability, timeliness, and the decision-usefulness of financial reports. Collectively, these improvements underline the potential of digital technologies to redefine reporting processes, enhance accountability, and strengthen stakeholder trust in the banking sector. Hence, the following recommendations were made:

i. Banking institutions should adopt a more strategic approach to technology investment by prioritizing cloud-based accounting systems (CBAS) with strong integration capabilities, scalability, and advanced security features. Emphasis should be placed on systems that seamlessly integrate with core banking platforms and provide analytical tools that enhance the accuracy, timeliness, and reliability of financial reporting.

ii. Banks should complement technological adoption with comprehensive training programs for accounting and finance professionals. Beyond basic system usage, training should focus on advanced functionalities that improve data integrity, automate complex processes, and support strategic decision-making, thereby ensuring that CBAS adoption translates into measurable improvements in financial reporting quality.

iii. Regulatory authorities such as the Central Bank of Nigeria and the Financial Reporting Council of Nigeria should implement outcome-based and innovation-friendly regulatory frameworks. This includes promoting principles of transparency, data security, and audit reliability, while introducing regulatory sandboxes that allow financial institutions to test innovative cloud-based reporting solutions within controlled environments.

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