ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) FRAUD INVESTIGATION AND CORPORATE ACCOUNTABILITY AMONG CONSUMER GOODS FIRMS

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Abstract

Consumer goods firms are central to Nigeria's economy, contributing significantly to GDP, employment generation, and household welfare. However, challenges of weak governance structures, limited ESG (Environmental, Social, and Governance) oversight, and recurring fraud cases have raised concerns about corporate accountability in the sector. This study examined the effect of ESG fraud investigation on corporate accountability among consumer goods firms in Nigeria. A descriptive survey research design was adopted, enabling the systematic collection of current data from organizational actors to provide insights into the relationship between ESG fraud investigations and accountability outcomes. The population comprised all 21 consumer goods firms listed on the Nigerian Exchange Group (NGX). Using purposive sampling, 10 firms with active ESG reporting and recognized prominence in the sector were selected. From these firms, a total of 200 respondents, executives, compliance officers, and managers directly engaged in ESG reporting and governance practices, were chosen through stratified random sampling to ensure representation across organizational roles. Data were gathered through a structured online survey consisting entirely of closed-ended questions, with a five-point Likert scale used to gauge respondents' views on ESG fraud investigations and associated accountability measures. Regression analysis showed that probes into environmental fraud have a positive and statistically significant influence on corporate accountability, while investigations focused on social and governance issues were also positively associated but did not reach statistical significance. The overall evidence indicates that fraud investigations directed at ESG issues do, in fact, strengthen accountability in Nigerian consumer goods companies.

Keywords: Consumer Goods Firms, Corporate Accountability, Environmental Fraud, ESG Fraud Investigation, Governance Fraud, Social Fraud

1.0 Introduction

Nigerian consumer goods companies play a strategic role in the country's economic trajectory by supplying basic needs, creating jobs, and making substantial contributions to the overall GDP. The most recent figures from the National Bureau of Statistics (2024) assign a 15% share of GDP to manufacturing, within which brands like Nestlé, Dangote Sugar, Flour Mills of Nigeria, and Unilever are essential actors ensuring food security and supporting household welfare. Moreover, a study by Adegbie, et. al. (2023) underscores the sector's resilience: these firms have maintained stable operations even in the face

of inflation and currency turmoil. Despite this, persistent criticisms concerning governance deficits, sustainability breaches, and uneven accountability practices have marred their reputation. Stakeholders are now paying more attention than ever to breaches of corporate responsibility, compelling consumer goods companies to adopt rigorous accountability practices that are woven into everyday operations.

Corporate accountability goes beyond mere adherence to statutory financial disclosure to intimate moral and operational duties to every group the company touches, including the environment, society, and the employee on the factory line. In Nigeria, the absence of robust accountability infrastructures has signaled warning lights: a string of reputational dents, unexpected write-offs, and, in the most glaring cases, outright collapses. In a recent report, PricewaterhouseCoopers (2023) pointed to lapses in governance as the reference price for more than 40% of financial scandals documented on the continent, while studies by Iyoha and Ojeka (2019) illustrated the chilling gradient: a breach in accountability siphons off the oxygen of investor confidence in Nigeria's listed bodies.

ESG fraud investigation, therefore, rises as a lens, rather than as a period-supervised audit spot. Investigators of green emissions, for example, reveal overmeasured forests, inflated renewable data, and concealed smoke stacks. The ethical scan of the factory questions algorithm-biased payrolls, tally of worker underage numbers, and CSR off-balance community services, and the governance prize box interrogates suppressed board minutes, siphoned fees, and a finance schedule that rings afoul of defined mandates. Multiple studies demonstrate that rigorous ESG oversight bolsters accountability. Mohammed (2025) illustrated that forensic audit techniques, chief among them data analytics and blockchain, uncover ESG-related fraud and reinforce disclosure reliability.

Recent high-profile corporate scandals involving ESG issues demonstrate why sustained inquiry in this area is urgent. According to Klynveld Peat Marwick Goerdeler (2023) analysis, 46% of surveyed companies in Africa disclosed ESG-linked misconduct, with governance lapses and environmental violations appearing most frequently. Parallel findings by Adegboyega and Oladipo (2024) corroborate this pattern. Their data illustrate how inaccurate environmental audit claims and inadequately enforced governance procedures have eroded trust in leading consumer goods companies. These incidents suggest that declarations of accountability remain superficial unless reinforced by systematic, forensic ESG investigations. Driven by this observation, the present study sets out to empirically assess how targeted fraud probes, differentiated by environmental, social, and governance components, trigger measurable improvements in accountability

metrics within Nigeria's consumer goods sector.

2.0 Literature Review
2.1 ESG framework

The Environmental, Social, and Governance (ESG) framework systematically assesses a firm's non-financial performance along three core pillars: managing environmental risks, promoting social good, and ensuring sound governance. ESG evaluates a wide array of indicators, the hand a company has in global warming, how it consumes natural resources, how well it cultivates employee relationships, how it fosters merit-based diversity, and how honestly its board steers strategic choices (Martiny, 2024; Bao, 2024; Sulimany, 2025; Yadav, 2025). In the past decade, the framework has shifted from niche concern to boardroom priority, embedding itself in corporate strategy and in capital allocation alike. When firms embed ESG into their DNA, they achieve greater transparency, cultivate lasting stakeholder trust, and position their operations within a roadmap of ethical and sustainable progress (Sulimany, 2025). Additionally, well-defined ESG frameworks standardise the collection and disclosure of relevant metrics, enhancing the ability of investors and the public to compare companies responsibly and hold them accountable (Yadav, 2025). In effect, mounting global scrutiny of ESG issues signals a durable pivot toward corporate behaviours that favour sustainable, durable value creation over the allure of transient, quarterly gains.

2.2 Evolution of ESG Framework

` Over the past two decades, the Environmental, Social, and Governance (ESG) landscape has decisively moved from voluntary corporate social responsibility (CSR) niceties to integrated, disciplined strategies anchoring sustainability across every operational level. Initially, CSR catalyzed management's occasional charitable impulse and ethical self-image, yet expanding stakeholder scrutiny compelled firms to formalise how they quantify and disclose non-financial success (Eccles & Klimenko, 2020). Standardisation arrived with the creation of authoritative guidelines, including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) metrics, and the Task Force on Climate-related Financial Disclosures (TCFD) templates, all defining the parameters, rigour, and granularity required for environmental, social, and governance statements (Friede, Busch & Bassen, 2021). Scholars now identify a further refining phase, labelled ESG 2.0, where variables become core to corporate strategy, integrated into risk assessments, and oriented toward enduring value and organisational resilience (Li, Zhang & Chen, 2023; Sulimany, 2025). Regulatory frameworks, the European Union's Corporate Sustainability Reporting Directive (CSRD) most notably, have institutionalised and deepened the movement, mandating greater precision, comparability, and accountability in disclosures across jurisdictions (Yadav, 2024). Collectively,

the progressive crystallisation of ESG illustrates the pathway from peripheral reporting to an essential managerial architecture that fortifies corporate sustainability, cultivates stakeholder confidence, and amplifies positive societal influence.

2.3 ESG Fraud Investigation

Fraud in Nigeria's Environmental, Social, and Governance (ESG) space centres on the intentional distortion or overstatement of a firm's ESG track record, primarily to court investors or bolster brand equity. Adebayo (2022) classifies the misconduct as encompassing greenwashing, spurious assertions of ecological stewardship, and the inflated portrayal of social programmes. Parallelly, Okafor and Uche (2023) stress that a patchwork of regulatory oversight, compounded by lax enforcement, has effectively provided cover to numerous enterprises. Yusuf (2024) further illustrates the vulnerability of the oil and gas, manufacturing, and banking domains, where the lack of a centralised reporting framework and the near absence of third-party validation invite misreporting. Adeola (2025) observes a shift towards the deployment of forensic audits, boosted by data analytics and stringent document checks, to unveil inconsistencies in ESG declarations. As the frequency of these audits rises, the reciprocal pressure on firms to abandon obfuscation grows, encouraging the embedding of reliable ESG metrics into daily governance and thus strengthening stakeholder confidence.

2.4 Corporate Accountability

Corporate accountability is the firm's duty to justify its conduct, choices, and consequences for all stakeholders, mandating openness, integrity, and adherence to laws and principles. Okoye and Eze (2021) argue that corporate accountability comprises rigorous financial disclosure, sound governance, and responsible corporate citizenship, furnishing stakeholders with trustworthy data to gauge how well the organization delivers on its promises. To add weight to these observations, Adegboye (2022) points out that robust accountability instruments, such as disciplined internal audits, vigilant board supervision, and structured stakeholder dialogue, deter threats, foster fiduciary confidence, and support enduring corporate success. In Nigeria, these concepts have moved to prominence as enterprises embrace Environmental, Social, and Governance (ESG) guidelines that harmonize commercial activity with ethical, social, and planetary responsibilities (Ogunleye, 2023). In the same vein, Nwankwo and Ibe (2024) document how embedding ESG criteria into governance architecture tightens disclosure controls, limits misrepresentation, and nurtures ethical conduct, thereby calibrating the confidence of stakeholders and ensuring sustained institutional resilience. Hence, accountability is no longer confined to legal or moral boundaries; it has evolved into a deliberate, performance-enhancing tactic that polishes reputation, maximises long-

lasting value, and amplifies positive societal influence.

2.5 Theoretical Framework

This study employs Stakeholder Theory as its theoretical foundation because it provides valuable insight for analysing corporate Environmental, Social, and Governance (ESG) practices and their link to accountability. Freeman (1984) originally framed the theory by asserting that corporations owe duties not just to shareholders, but to an extended roster of stakeholders, including staff, customers, suppliers, host communities, and regulators. The theory argues that durable corporate performance can be achieved only when the interests of all these groups are balanced, rather than by pursuing profit to the exclusion of society and environment. Some critics contend that the framework offers insufficient guidance on how to rank conflicting stakeholder claims and that managing competing interests poses practical difficulties (Mitchell, Agle & Wood, 1997). Notwithstanding these reservations, the theory offers an indispensable lens for this study, since it articulates how Nigerian companies embed ESG criteria into their day-to-day operations and disclosure practices in order to satisfy stakeholder expectations, enhance transparency, and bolster accountability. Through a stakeholder-oriented perspective, the present study can interrogate the pathways through which ESG initiatives mould managerial conduct and advance the goal of sustainable and responsible business operations in the Nigerian context.

2.6 Empirical Studies

Research on the interplay between ESG practices and corporate performance has consistently highlighted their growing importance. Seker and Sengir (2021) showed that ESG performance significantly enhances financial reporting quality (FRQ) using a large multinational dataset, with environmental and governance dimensions having the most robust impact. Similarly, Yeye and Egbunike (2023), focusing on Nigerian industrial goods firms, found that ESG disclosures tend to enhance firm value, although statistical significance was weak, suggesting that while ESG creates reputational and operational benefits, its financial implications may depend on contextual and methodological factors. In the same vein, Agbakwuru, Onyenahazi, Antwi, and Oyewale (2024) demonstrated qualitatively that firms with more transparent ESG reporting practices are better positioned to achieve sustained financial performance, reinforcing the long-term benefits of accountability and sustainability practices.

Further studies expanded this discourse by linking ESG to consumer behavior and financing decisions. Hasan, Verma, Sharma, and Moghalles (2024) found that ESG dimensions, particularly environmental practices, strongly shape consumer attitudes toward brands, with digital transformation further strengthening

this relationship. Complementing this, Tawfiq, Tawaha, Tahtamouni, and Almasria (2024) provided evidence that ESG disclosures lower firms' cost of capital and improve financing options, as investors view sustainability-oriented firms as less risky. Similarly, Che, Song, and Li (2024), using data from Chinese A-share companies, confirmed that improvements in ESG practices positively affect financial performance, though the magnitude of the effect is moderated by property rights structures and industry classifications.

More recently, the scope of ESG-related inquiry has expanded to include risk management, fraud detection, and localized firm-level analysis. Hwang (2025) established that ESG adoption strengthens organizational resilience by improving risk management, reputation, and stock value. Mohammed (2025) highlighted the critical role of forensic auditing in ESG compliance, noting that advanced auditing tools such as blockchain and data analytics effectively detect greenwashing and social misreporting. Within Nigeria, Oke, Ojogbo, and Biiranee (2025) examined consumer goods firms and observed that environmental and governance performance largely drive profitability and shareholder value, though the social pillar showed mixed outcomes across earnings indicators.

Gaps in the literature

Several empirical studies (Seker & Sengir, 2021; Yeye & Egbunike, 2023; Agbakwuru, Onyenahazi, Antwi & Oyewale, 2024; Hasan, Verma, Sharma & Moghalles, 2024; Tawfiq, Tawaha, Tahtamouni & Almasria, 2024; Che, Song & Li, 2024; Hwang, 2025; Mohammed, 2025; Oke, Ojogbo & Biiranee, 2025) have been conducted on the ESG framework within and outside Nigeria. Notably, a persistent shortcoming across the bulk of this corpus lies in the inadequate empirical studies on the ESG fraud investigation complement and its resultant leverage on observable patterns of corporate accountability. Moreover, a substantial proportion of the literature still privileges secondary, time-series datasets (Seker & Sengir, 2021; Yeye & Egbunike, 2023; Tawfiq et al., 2024; Che et al., 2024), thereby presenting rice-crusted views of the field that do not tune to the temporal immediacy and attitudinal noise of present-day stakeholders. In contrast, few of the reviewed studies (Hasan et al., 2024; Mohammed, 2025) employed primary research approaches using well-structured questionnaires administered through online surveys, providing firsthand evidence of ESG implementation and fraud detection practices. To bridge these gaps, this study examines ESG fraud investigation and corporate accountability among corporate firms in Nigeria, employing a primary research design to generate current, context-specific insights into how ESG practices and fraud detection mechanisms influence corporate transparency, accountability, and sustainable performance. Accordingly, the study formulates the following null hypotheses:

H_{0_1}: Environmental fraud investigation has no significant effect on corporate accountability among consumer goods firms in Nigeria.

H_{0_2}: Social fraud investigation has no significant effect on corporate accountability among consumer goods firms in Nigeria.

H_{0_3}: Governance fraud investigation has no significant effect on corporate accountability among consumer goods firms in Nigeria.

3.0 Methodology

This study adopted a descriptive survey research design. The descriptive survey design was chosen as it allows for the systematic collection of current data from respondents to describe the relationship between environmental, social, and governance fraud investigations and corporate accountability, while providing insights into contemporary corporate practices. The population of the study comprises all consumer goods companies listed on the Nigerian Exchange Group (NGX) as of December 2024, which totals 21 firms operating in sectors such as food and beverages, personal care, and household products (Nigerian Exchange Group, 2024). A purposive sampling technique was employed to select 10 firms based on their active ESG reporting, prominence in the consumer goods sector, and availability of personnel responsible for ESG and corporate governance functions. The selected firms include Nestlé Nigeria Plc, Unilever Nigeria Plc, Guinness Nigeria Plc, PZ Cussons Nigeria Plc, Dangote Sugar Refinery Plc, Honeywell Flour Mills Plc, Cadbury Nigeria Plc, Nascon Allied Industries Plc, Flour Mills Nigeria Plc, and International Breweries Plc.

Within each selected firm, 20 respondents were chosen, comprising executives, compliance officers, and managers directly involved in ESG reporting and corporate governance functions, resulting in a total sample size of 200 respondents. The respondents were selected using a stratified random sampling technique, with strata defined by organizational role to ensure proportional representation across different levels of responsibility in ESG implementation. Data were collected using a well-structured, closed-ended questionnaire administered electronically through a Google Form link shared via the corporate emails of the selected firms after obtaining prior permission from the management. The questionnaire captured respondents' perceptions and experiences regarding ESG fraud investigations, reporting practices, and corporate accountability mechanisms, and was measured on a five-point Likert scale ranging from "Strongly Disagree" to "Strongly Agree."

To ensure the reliability of the instrument, a pilot test was conducted, and the Cronbach's alpha coefficient was used, yielding a value above the acceptable threshold of 0.7. The validity of the

questionnaire was ensured through expert review, assessing the clarity, relevance, and comprehensiveness of the items in capturing the constructs of ESG fraud investigation and corporate accountability. Descriptive statistics were used to summarize respondents' demographic characteristics and overall perceptions, while inferential statistics, specifically multiple regression analysis, were employed to test the three null hypotheses.

4.0 Results and Discussion

4.1 Results
4.1.1 Descriptive Statistics Analysis of the Respondents' Biodata
Table 1: Bio Data of the Respondents

Bio Data	Parameters	Sample Frequency	(n=200) Percentage
Gender	Male	121	60.5
	Female	79	39.5
Age Range	20-29 years	29	14.5
	30-39 years	89	44.5
	40-49 years	82	41.0
Academic Qualifications	Diploma	23	11.5
	Bachelor's Degree	30	15.0
	Master's Degree	147	73.5
Marital Status	Single	13	6.5
	Married	184	92.0
	Divorced	3	1.5
Years of Working Existence	1-5 years	37	18.5
	5-10 years	89	44.5
	11-15 years	53	26.5
	Above 20 years	21	10.5
Department/Function	Corporate Governance	63	31.5
	ESG/Sustainability	69	34.5
	Finance/Accounting	49	24.5
	Operations	19	9.5
Organizational Role/Position	Executive	69	34.5
	Compliance Officer	53	26.5
	Manager	63	31.5
	Other	15	7.5

Source: SPSS Output (2025)

Table 1 presents the biodata of the 200 respondents who participated in the study. Regarding gender distribution, the majority were male (121; 60.5%), while females accounted for 79 respondents (39.5%), indicating a higher representation of males in ESG-related and corporate governance roles within the selected consumer goods firms. The age distribution shows that most respondents were between 30 and 39 years (89; 44.5%), followed by those aged 40–49 years (82; 41.0%), and 20–29 years (29; 14.5%), suggesting that mid-career professionals formed the bulk of the sample. In terms of educational qualifications, the largest group held a Master's degree (147; 73.5%), followed by Bachelor's degree holders (30; 15.0%) and Diploma holders (23; 11.5%). This indicates that respondents were generally well-educated, enabling them to provide informed insights into ESG implementation and corporate accountability practices.

Regarding marital status, the majority were married (184; 92.0%), while single respondents accounted for 13 (6.5%), and divorced respondents were 3 (1.5%).

Marital status was not a major focus of the study but shows that most respondents were settled, potentially reflecting stability in their professional engagement. The years of working experience varied, with the majority having 5–10 years (89; 44.5%), followed by 11–15 years (53; 26.5%), 1–5 years (37; 18.5%), and above 20 years (21; 10.5%). This distribution suggests that respondents possessed sufficient professional experience to provide reliable perspectives on ESG practices and corporate accountability. Examining departmental functions, 69 respondents (34.5%) were from ESG/Sustainability, 63 (31.5%) from Corporate Governance, 49 (24.5%) from Finance/Accounting, and 19 (9.5%) from Operations. This reflects a concentration in departments directly relevant to ESG and governance activities. Finally, regarding organizational roles, 69 respondents (34.5%) were executives, 63 (31.5%) were managers, 53 (26.5%) were compliance officers, and 15 (7.5%) held other positions. This demonstrates a broad representation across different hierarchical levels involved in ESG and corporate governance functions.

4.1.2 Pearson Correlation Analysis
Table 2: Pearson Correlation Analysis Result

	Corporate Accountability	Environmental fraud investigation	Governance fraud investigation	Social fraud investigation	**VIF**
Corporate Accountability	1.000				
Environmental fraud investigation	0.652**	1.000			1.352
Social fraud investigation	0.598**	0.523**	1.000		1.128
Governance fraud investigation	0.684***	0.287	0.467**	1.000	1.432

Source: SPSS Output, 2025.

Table 2 presents the Pearson correlation analysis results, showing the strength and direction of the relationships between corporate accountability and the three dimensions of ESG fraud investigation: environmental, social, and governance. The results indicate that all three ESG fraud investigation dimensions are positively correlated with corporate accountability, suggesting that improvements in fraud detection and transparency in these areas are associated with higher levels of corporate accountability. Specifically, environmental fraud investigation exhibits a strong positive and statistically significant correlation with corporate accountability (r = 0.652, p < 0.01), indicating that firms with robust environmental fraud monitoring practices tend to have better accountability mechanisms. Social fraud investigation also shows a moderate positive and significant correlation with corporate accountability (r = 0.598, p < 0.01), implying that social compliance and fraud monitoring contribute meaningfully to corporate transparency.

Governance fraud investigation has the strongest positive correlation with corporate accountability (r = 0.684, p < 0.001), highlighting the critical role of governance-related fraud oversight in promoting accountability among corporate firms. The inter-correlations among the predictor variables reveal moderate relationships, with environmental and social fraud investigation showing a correlation of

r = 0.523 (p < 0.01), while governance fraud investigation shows a weaker correlation with environmental fraud investigation (r = 0.287) but a moderate correlation with social fraud investigation (r = 0.467, p < 0.01).

Variance Inflation Factor (VIF) values for all predictors are below 5 (ranging from 1.128 to 1.432), indicating that multicollinearity is not a concern in the model.

4.1.3 Multiple Regression Analysis
Dependent Variable: Corporate Accountability

Var.	Coe.	St. E.	T-test	Prob
C	18.432	1.678	10.990	0.000
Environmental fraud investigation	0.145	0.062	2.339	0.021
Social fraud investigation	0.102	0.088	1.159	0.251
Governance fraud investigation	0.187	0.172	1.088	0.278
R	0.712			
R-squared	0.507			
F-Stat	16.842			
Prob (F-stat)	0.000			

Source: *Data Analysis, 2025*

Table 3 presents the results of a multiple linear regression analysis examining the influence of environmental, social, and governance (ESG) fraud investigation on corporate accountability in Nigerian organizations. The model has an R-value of 0.712, indicating a strong positive correlation between the combined predictors and corporate accountability. The R-squared value of 0.507 suggests that approximately 50.7% of the variation in corporate accountability can be explained by the three predictors, while the remaining 49.3% may be due to other factors not included in the model. The F-statistic of 16.842 with a p-value of 0.000 confirms that the overall regression model is statistically significant, meaning the predictors collectively exert a meaningful influence on corporate accountability. Examining the individual predictors, environmental fraud investigation has a positive and statistically significant effect on corporate accountability ($\beta = 0.145$, p = 0.021 < 0.05). This implies that firms that actively investigate and address environmental fraud are more likely to demonstrate higher levels of accountability. In contrast, social fraud investigation ($\beta = 0.102$, p = 0.251 > 0.05) and governance fraud investigation ($\beta = 0.187$, p = 0.278 > 0.05) both show positive but statistically insignificant relationships. This indicates that while these dimensions contribute to enhancing accountability, their individual effects are not strong enough to

be considered statistically significant at the 5% level in this study.

4.2 Discussion

The analysis result shows a notable and statistically significant relationship between environmental fraud investigation and corporate accountability in Nigeria's consumer goods sector ($\beta = 0.145$, $p = 0.021 < 0.05$). The result implies that firms that proactively investigate and remedy environmental fraud tend to exhibit heightened accountability to stakeholders and transparent operational practices. The finding can be attributed to the visibility of environmental violations, like pollutants being discharged or the improper disposal of waste, by regulators, local communities, and investors. Such visibility compels companies to foster stringent governance to safeguard their legitimacy and the trust of stakeholders. This conclusion aligns with Seker and Sengir (2021), who report that enhanced environmental and governance performance is correlated with increased financial reporting quality and accountability. Hasan et al. (2024) similarly confirm that the environmental pillar of ESG carries the most pronounced influence on consumer attitudes, revealing that stakeholders reward firms with genuine eco-friendly behaviours. In the Nigerian context, Oke, Ojogbo, and Biiranee (2025) also reported that environmental performance positively influences profitability in consumer goods firms, further suggesting that firms committed to addressing environmental issues not only boost

financial outcomes but also reinforce corporate accountability.

Also, it was revealed that social fraud investigation has a positive but statistically insignificant effect on corporate accountability among consumer goods firms in Nigeria ($\beta = 0.102$, $p = 0.251 > 0.05$). This implies that while monitoring and addressing fraud related to social concerns, such as labor practices, employee rights, and community engagements, may contribute to improving accountability, the effect is not strong enough to be statistically significant in this context. A likely reason is that many firms in Nigeria still prioritize compliance with environmental and governance standards, which are more heavily regulated, while social dimensions receive less institutional emphasis and enforcement. This outcome is consistent with Hasan, Verma, Sharma, and Moghalles (2024), who found that although the environmental dimension of ESG strongly influenced consumer behavior, the social dimension was relatively weaker and statistically less consistent. Similarly, Tawfiq, Tawaha, Tahtamouni, and Almasria (2024) established that firms with stronger ESG performance benefit from lower costs of capital and better financing options, but the governance and environmental dimensions carried more weight compared to the social dimension.

Finally, the analysis result showed that governance fraud investigation has a positive but statistically insignificant effect

on corporate accountability among consumer goods firms in Nigeria ($\beta = 0.187$, $p = 0.278 > 0.05$). This underscores that although investigating governance-related fraud, such as board misconduct, managerial opportunism, and unethical financial reporting, has the potential to enhance accountability, its effect is not sufficiently strong to reach statistical significance in this study. One possible reason is that governance structures in many Nigerian firms remain weak, with challenges such as regulatory capture, limited board independence, and insufficient enforcement of governance codes reducing the impact of fraud investigations. Supporting this, Che, Song, and Li (2024) found that improvements in ESG practices positively influence corporate financial performance in Chinese firms, but the relative impact of governance factors was moderated by property rights and industry differences, suggesting variability in its effectiveness. Likewise, Hwang (2025) established that ESG variables strongly influence risk management and reputation, but environmental and social practices often generate more tangible outcomes compared to governance dimensions.

5.0 Conclusion and Recommendations

This study examined how investigations of ESG fraud shape corporate accountability within Nigeria's consumer goods sector. The data demonstrated that probes focusing on environmental misconduct positively and statistically significantly boosted accountability, suggesting that firms that confront environmental lapses tend to offer clearer and more reliable information to stakeholders. Conversely, investigations into social and governance offences yielded positive coefficients that fell short of conventional significance thresholds, indicating that these dimensions encourage accountability only weakly in the absence of more robust regulatory institutions and enforcement tools. The overall conclusion affirms a meaningful statistical relationship between ESG fraud scrutiny and heightened accountability in the sector. To leverage these insights, the following recommendations are:

i. Since environmental probes generate substantive accountability gains, Nigeria's National Environmental Standards and Regulations Enforcement Agency (NESREA), alongside corporate governance boards, should expand scrutiny of ecological practices, apply more severe sanctions on detected breaches, and incentivise the systematic adoption of green financial and operational audits. This dual approach is expected to raise overall corporate accountability and foster a culture of sustainable performance.

ii. Despite the modest statistical traction of social fraud scrutiny, firms are encouraged to upgrade social responsibility systems

through the introduction of well-publicised whistleblowing relief, robust employee protection frameworks, and transparent labour practices. Systematic adoption of these measures would, over time, enhance operational trust, thereby elevating the accountability-reinforcing effect of future social investigations on overall governance.

iii. The insignificant effect of governance fraud investigation

highlights the need for stronger corporate governance enforcement. Firms should ensure board independence, transparency in financial reporting, and compliance with governance codes, while regulators should close enforcement gaps to make governance investigations more effective in driving accountability.

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