JRIIE Journal of Research Innovation and Implications in Education
Center for Research Implications & Practice

Website: www.jriiejournal.com ISSN 2520-7504 (Online) Vol.10, Iss.4, 2026 (pp. 1373 - 1382)

Effect of Financial Reporting Quality on Operational Performance of Commercial Banks: A Case of Bank of Kigali, Rwanda

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Abstract: *Rwanda's commercial banks face several financial reporting quality challenges, including inconsistent reporting practices, lack of transparency, inadequate financial disclosures, delayed reporting, and limited adoption of international financial reporting standards (IFRS). This study investigated the effect of financial reporting quality on the operational performance of commercial banks in Rwanda, focusing on Bank of Kigali. It examined financial reporting accuracy, completeness, and compliance. Agency Theory, Information Theory, and Signaling Theory guided the study. A descriptive and correlational design was adopted, with a census of 115 employees across six departments. Questionnaires and interviews supported data collection, and 104 completed questionnaires were returned, representing a response rate of 90.4%. Data were analysed using descriptive statistics, Pearson correlation, and multiple regression in SPSS version 25. The model yielded $R = 0.822$, $R^2 = 0.676$, and adjusted $R^2 = 0.666$. Financial reporting accuracy ($B = 0.390$, $p < 0.001$) and completeness ($B = 0.356$, $p < 0.001$) were positive, statistically significant predictors of operational performance. Compliance had a positive but statistically insignificant coefficient ($B = 0.118$, $p = 0.244$). Thus, the first two null hypotheses were rejected, while the third was not rejected. The study recommended stronger pre-publication verification, standardized disclosure templates, and regular compliance training and monitoring.*

Keywords: *Financial reporting quality, Financial reporting accuracy, Financial reporting completeness, Financial reporting compliance, Operational performance*

How to cite this work (APA):

Kabengera, A. L. O & Tarus, T. (2026). Effect of Financial Reporting Quality on Operational Performance of Commercial Banks: A Case of Bank of Kigali, Rwanda. *Journal of Research Innovation and Implications in Education, 10*(4), 1373 – 1382. **https://doi.org/10.59765/jsf73**

1. Introduction

Financial reporting quality contributes to organizational transparency by providing information that stakeholders use to assess performance, allocate resources, and make decisions. International reporting standards promote comparable, reliable, and accountable reporting (Johri, 2024). For banks, the quality of financial information is particularly relevant to internal control, financial discipline, and operational efficiency (Wanjagi *et al.*, 2024).

In Rwanda, the banking sector relies on accurate reporting and ethical accounting practices to sustain financial credibility and stakeholder confidence. Nkuranga and Tarus (2023) linked accounting ethics with financial reporting quality among commercial banks listed on the Rwanda Stock Exchange. At Bank of Kigali, reporting accuracy, completeness, and compliance are therefore relevant to operational efficiency, service quality, customer satisfaction, and competitiveness.

Despite the importance of financial reporting, inconsistent disclosures, errors, and weak compliance procedures may limit the usefulness of reported information in banking decisions. Existing studies have assessed financial reporting and performance in other settings, including industrial enterprises, listed companies, and foreign banking institutions. However, the distinct relationships between reporting accuracy,

completeness, compliance, and operational performance at Bank of Kigali had not been established within the reviewed empirical literature (Anichukwu & Ekwueme, 2021; Abu Hamour *et al.*, 2024; Kigongo Kaawaase *et al.*, 2021).

This study addressed that contextual gap by examining the three dimensions of financial reporting quality and their individual relationships with operational performance at Bank of Kigali. The investigation was limited to the bank's head office and covered the period from 2022 to 2025.

1.1 General Objective

The general objective was to investigate the effect of financial reporting quality on the operational performance of commercial banks in Rwanda, using Bank of Kigali as the case study.

1.2 Specific Objectives

The study pursued three specific objectives related to the dimensions of financial reporting quality.

1. To assess the effect of financial reporting accuracy on the operational performance of Bank of Kigali.
2. To investigate the effect of financial reporting completeness on the operational performance of Bank of Kigali.
3. To evaluate the effect of financial reporting compliance on the operational performance of Bank of Kigali.

2. Literature Review

This section presents theoretical perspectives and empirical studies informing the relationship between financial reporting quality and operational performance. It retains the three theories and the three objective-aligned empirical reviews from the full dissertation.

2.1 Theoretical Review

The theoretical review explains the foundations for examining financial reporting quality and operational performance. Agency Theory addresses accountability, Information Theory concerns the completeness and transmission of reporting information, and Signaling Theory explains the credibility communicated through financial disclosures.

2.1.1 Agency Theory

Agency Theory was developed independently by Mitnick (1973) and Ross (1973); it examines the connection between principals (those who delegate responsibilities) and agents. It stresses potential conflicts of interest and information asymmetries among various parties. Stakeholder participation is crucial in Agency Theory to ensure that agents (project implementers) act in the best interests of their principals (donors, governments) and beneficiaries (Mitnick, 2021). This theory investigates how businesses cope with circumstances in which one party (the principal) hires another (the agent) to do a task, such as contract management with suppliers. In this arrangement, principals hire agents to perform delegated tasks. According to the theory, conflicts may occur because both the principal and the agent are motivated by self-interest. When the agent prioritizes their personal interests above the principal's goals, problems arise and the relationship may dissolve (Tilton *et al.*, 2023).

Agency Theory stresses the significance of including stakeholders in monitoring and evaluating project effectiveness. Stakeholders, such as recipient communities, may give useful input on project efficacy and indicate possible concerns throughout implementation. Furthermore, stakeholders must be involved in identifying and resolving any conflicts of interest that may impair project performance (Kipkoech, 2022).

The study used Agency Theory to explore the relationship between Bank of Kigali's management and its stakeholders. By emphasizing the alignment of principals' and agents' interests, the theory helped explain how accurate financial reporting ensures management acts in the best interests of stakeholders, thereby improving operational performance.

2.1.2 Information Theory

Information Theory, introduced by Shannon (1948), examines the transmission, processing, and storage of information. It focuses on encoding, decoding, and minimizing data loss in communication systems. This theory enhances efficiency in data exchange, ensuring accurate information flow, which is essential for decision-making and system optimization in various fields (Léon, 2021).

Important concepts in digital communication include data compression for redundancy elimination and error correction for maintaining signal fidelity. Telecommunications, computing, cryptography, artificial intelligence, and the biological sciences use this theory extensively. Information Theory supports the design of efficient systems for data transmission and exchange. Artificial intelligence manages to improve how machines learn through decision-making and information processing functions with support from Information Theory (Sahar *et al.*, 2021).

Information Theory is essential to cryptography because it supports the development of secure communication

and encryption systems. Information Theory also informs the understanding of biological systems by modelling information processing in neuroscience, cognitive science, and genetics. Its applications range from internet data processing to medical diagnostics, demonstrating its importance in system optimization, error reduction, and decision-making. The defined information management method from the theory supports ongoing advancements in science and engineering and technology (Wang *et al.*, 2022).

The study used Information Theory to evaluate how financial reporting quality at Bank of Kigali enhances accuracy in financial data transmission, reducing errors that affect operational performance. Effective encoding and decoding of financial information ensure clarity, enabling management to make informed decisions that improve efficiency, compliance, and resource allocation.

2.1.3 Signaling Theory

According to Signaling Theory, developed by Spence (1973), people and organizations communicate information in situations characterized by information asymmetry. The theory applies to economics, business, and the social sciences when one party possesses information unavailable to others (Shahid *et al.*, 2024). A signal represents an observable action that reveals otherwise inaccessible qualities. Job seekers send education credentials to prospective employers to demonstrate their capabilities for the available positions. The effectiveness of a signal depends partly on its credibility and the difficulty of fabricating it (Patlakas, 2022).

Signaling Theory applies to several sectors, including finance, where companies communicate stability to investors through dividend distributions and financial reports. Brands use premium pricing together with exceptional advertising to demonstrate their products' higher quality to consumers in marketing campaigns (Eldomiaty *et al.*, 2024). In biology, physical characteristics and courtship displays can serve as signals of fitness to potential mates. A message becomes effective in signaling based on how credible and reliable it is during transmission (Eldomiaty *et al.*, 2024).

The study used Signaling Theory to assess how Bank of Kigali's financial reports act as credible signals of stability and performance to investors, regulators, and customers. Transparent and high-quality disclosures reduce information asymmetry, demonstrating financial health, influencing investor confidence, and strengthening the bank's competitive position in Rwanda's financial sector.

2.2 Empirical Review

The empirical review presents previous studies on financial reporting accuracy, completeness, and compliance in relation to organizational and operational outcomes. Each subsection follows the corresponding specific objective.

2.2.1 Financial Reporting Accuracy and Operational Performance

Biehl *et al.* (2024) examined the effect of financial reporting on firms' real activities, focusing on investment decisions, resource allocation, and market interactions. The study reviewed 94 accounting and finance studies, highlighting financial reporting's consequences for reporting firms, peer firms, and input-output markets. The findings indicated that high-quality financial reporting enhances resource allocation efficiency within firms and contributes to better market-wide allocation. Internal controls over financial reporting and regulatory frameworks play a critical role in shaping these effects. The study identified positive associations between transparent reporting and improved decision-making, benefiting stakeholders such as investors, employees, and consumers. Accounting and auditing regulations further strengthen financial reporting's impact on operational efficiency. The review emphasized feedback effects where financial reporting influences firms' strategic decisions, shaping industry dynamics. Future research opportunities focus on refining the understanding of financial reporting's broader economic effects and its role in optimizing business performance across various sectors.

Antwi *et al.* (2024) examined the effect of artificial intelligence on financial reporting, emphasizing accuracy and timeliness. The study explored AI-driven technologies, including machine learning, natural language processing, and predictive analytics, in automating financial data processing. The findings indicated that AI reduces manual errors, enhances fraud detection, and improves financial report reliability. AI enables pattern recognition in financial transactions, detecting irregularities and mitigating risks. Natural language processing extracts information from financial statements and regulatory filings, aiding decision-making. Automating data entry, reconciliation, and financial statement preparation accelerates reporting processes, ensuring timely dissemination of financial information to stakeholders. AI-driven predictive analytics forecast financial trends, allowing organizations to adjust strategies proactively. Real-time monitoring of financial performance metrics enhances responsiveness in financial management. Integrating AI transforms financial reporting by improving efficiency, transparency, and accountability. Future research could explore AI's evolving role in addressing emerging financial reporting challenges across industries.

Rathnayake *et al.* (2021) examined the impact of financial reporting quality on firm performance in listed companies in Sri Lanka. A quantitative approach was adopted, utilizing secondary data from annual financial

statements of 30 listed firms, excluding banking, finance, and insurance sectors, over six years. Hypotheses were tested using a random effect model in STATA, where financial reporting quality was regressed against return on assets, return on equity, and market-to-book ratio. Results indicated a significant relationship across the three models but no individual significance between financial reporting quality and performance indicators. These findings challenge theoretical expectations, suggesting financial reporting quality may not directly affect firm performance in Sri Lanka. The study recommended further research with an expanded sample size to validate findings and explore contextual factors influencing the relationship between financial reporting quality and firm performance.

2.2.2 Financial Reporting Completeness and Operational Performance

Abu Hamour *et al.* (2024) examined the effect of financial reporting quality on earnings quality in Jordanian industrial companies. A survey-based approach was employed, using questionnaires and SmartPLS 4 for data analysis. The findings indicatedd a positive relationship between financial reporting quality and earnings quality, emphasizing that accurate financial reports enhance transparency and facilitate informed decision-making. The study highlighted the role of financial reporting in aligning company performance with accounting standards and disclosure practices. It provides insights for regulators, investors, and stakeholders regarding the significance of financial reporting quality in evaluating financial performance. Additionally, the research contributes methodologically by utilizing PLS-SEM in financial reporting studies.

Anichukwu and Ekwueme (2021) explored the impact of financial reporting quality on corporate performance, specifically within 22 listed Nigerian banks. They employed an ex-post facto research design using secondary data from annual reports, with the analysis conducted through Ordinary Least Squares regression and E-View 9 at a 5% significance level. The study found a negative but significant relationship between financial reporting quality, represented by discretionary and non-discretionary accruals, and return on investment. This suggests that the quality of financial reporting, particularly through accrual management, significantly influences corporate performance. Based on their findings, the authors recommend that bank management adopt automated financial reporting solutions to enhance the quality of reporting and, by extension, corporate performance. The study emphasized the importance of reducing the negative impact of abnormal accruals on performance.

E'leimata *et al.* (2023) investigated the impact of big data on financial reporting quality within the industrial sector in Jordan. The study involved a survey of 325 financial managers in industrial companies listed on the Amman Stock Exchange, with data analyzed using structural equation modeling (SEM). The findings revealed that big data dimensions, variety, volume, and velocity—positively influence financial reporting quality. This underscores the importance of leveraging big data technologies to enhance the accuracy, timeliness, and reliability of financial reports. The study also emphasizes the need for comprehensive data governance frameworks within organizations, recommending the establishment of data ownership protocols, quality standards, and secure processes for data access, usage, and preservation. This approach ensures that the data driving financial reporting is reliable, secure, and compliant, further boosting the quality of financial information available to stakeholders.

2.2.3 Financial Reporting Compliance and Operational Performance

Kaawaase *et al.* (2021) explored the relationship between corporate governance, internal audit quality, and financial reporting quality within Uganda's financial institutions. The study employed a cross-sectional, correlational design, gathering data through questionnaires from Chief Finance Officers, Senior Accountants, and Internal Audit Managers in the financial sector. Statistical analysis using SPSS revealed that board expertise and board role performance are significantly linked to financial reporting quality. However, board independence is found not to significantly affect financial reporting quality. Additionally, internal audit quality is positively associated with financial reporting quality. This research highlights the importance of specific corporate governance practices, such as board expertise and role performance, in enhancing the quality of financial reporting in Uganda's financial institutions. The study provides valuable insights into the factors that contribute to effective financial reporting and suggests the integration of robust governance and auditing practices for improved financial transparency and accuracy.

Phornlaphatrachakorn and Na Kalasindhu (2021) investigated the influence of digital accounting on financial reporting quality, accounting information usefulness, and strategic decision effectiveness among Thai listed firms, with digital transformation acting as a moderating variable. A sample of 313 firms was analyzed using structural equation modeling and multiple regression techniques. The results reveal that digital accounting significantly improves financial reporting quality, enhances accounting information usefulness, and increases strategic decision effectiveness. Moreover, financial reporting quality and accounting information usefulness play mediating roles in the relationship between digital accounting and strategic decision effectiveness. While digital transformation moderates the relationship between digital accounting and both financial reporting quality and accounting information usefulness, it does not affect

other relationships. The study emphasized the importance of adopting digital accounting systems, suggesting that executives should invest in and implement digital tools to drive organizational goal achievement and sustainability.

Judijanto *et al.* (2023) examined the influence of regulatory compliance and digital audit adoption on auditor performance and financial reporting accuracy in Indonesia. Through a quantitative approach, the study highlights a strong positive correlation between regulatory compliance and both auditor performance and financial reporting accuracy. Regulatory compliance is identified as a critical factor driving effective auditing and enhanced financial reporting accuracy. However, despite the potential of digital audit adoption, the study finds no significant impact on auditor performance or financial reporting accuracy. The research underscored the importance of regulatory adherence in promoting financial transparency and accountability, offering useful insights for auditors, organizations, and regulatory bodies in Indonesia.

3. Methodology

This section explains how the research design, population, data collection, pilot testing, quality assessment, data analysis, and ethical procedures were applied in the study.

3.1 Research Design

The study employed descriptive and correlational research designs. The descriptive component assessed financial reporting practices and operational performance, while the correlational component examined associations between the three financial reporting dimensions and operational performance. Quantitative questionnaire responses were complemented by interviews with senior management staff.

3.2 Study Population and Sampling Design

The target population comprised 115 employees of Bank of Kigali: 38 in Finance, 19 in Corporate Services, 14 in Business Development, 22 in Recovery, 10 in Internal Audit, and 12 in Compliance. A census technique was adopted because the study intended to include the entire target population rather than select a subsample.

3.3 Data Collection Instruments

Structured questionnaires were administered to obtain standardized responses on financial reporting accuracy, completeness, compliance, and operational performance. Interviews were conducted with selected senior management staff to obtain contextual views. The study also referred to available organizational and financial reporting documentation.

3.4 Pilot Study, Validity and Reliability

The questionnaire was pilot-tested with 14 respondents at Equity Bank, outside the main case study. Academic experts reviewed its content, and the Content Validity Index was 0.80, calculated from 16 relevant items out of 20 and exceeding the adopted minimum of 0.70. Internal consistency was assessed using Cronbach's alpha, with all four constructs exceeding 0.70.

Table 1. Reliability Statistics

Variable	Number of items	Cronbach's alpha	Decision
Financial reporting accuracy	4	0.801	Accepted
Financial reporting completeness	4	0.819	Accepted
Financial reporting compliance	4	0.807	Accepted
Operational performance	4	0.824	Accepted

3.5 Data Analysis

Questionnaire data were edited, coded, tabulated, and analysed using SPSS version 25. Descriptive analysis applied means, standard deviations, percentages, and frequencies. Pearson correlation established the strength and direction of bivariate associations. Multiple regression assessed the independent contribution of reporting accuracy, completeness, and compliance to operational performance at a 5% significance level. Qualitative responses were assessed thematically to complement the statistical findings.

3.6 Ethical Considerations

Participants were informed about the study purpose and provided voluntary consent. Confidentiality was maintained by protecting identifying information, reporting findings in aggregate form, and securing questionnaire and interview records.

4. Results and Discussions

This section presents the response rate and inferential findings aligned with the research objectives. The original statistical values are retained, while interpretations distinguish bivariate association from adjusted regression effects.

4.1 Response Rate

Table 2, Response rate, summarizes the response rates of questionnaires distributed in the research study examining financial reporting quality and its effects on operational performance of commercial banks, specifically focusing on the Bank of Kigali in Rwanda.

Table 2. Response Rate

Questionnaires	Frequency	Percent
Returned	104	90.4
Unreturned	11	9.6
Total	115	100.0

Source: Field data, 2026.

Among the 115 questionnaires distributed, 90.4% were returned completed by respondents (104 questionnaires), while only 9.6% remained unreturned (11 questionnaires). This high response rate indicates a strong level of engagement and participation from the study's participants, enhancing the credibility and reliability of the research outcomes.

4.2 Correlation Analysis

Pearson correlation analysis assessed the strength and direction of associations between the study variables and operational performance. All three reporting dimensions had positive, statistically significant bivariate correlations with operational performance.

Table 3. Correlation Matrix

		Financial reporting accuracy	Financial reporting completeness	Financial reporting compliance	Operational performance
Financial reporting accuracy	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	104			
Financial reporting completeness	Pearson Correlation	.702**	1		
	Sig. (2-tailed)	.000			
	N	104	104		
Financial reporting compliance	Pearson Correlation	.749**	.795**	1	
	Sig. (2-tailed)	.000	.000		
	N	104	104	104	
Operational performance	Pearson Correlation	.761**	.750**	.721**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	104	104	104	104

**. Correlation is significant at the 0.01 level (2-tailed).
Source: Field data, 2026

Financial reporting accuracy correlated with operational performance at $r = 0.761$ ($p < 0.001$), completeness at $r = 0.750$ ($p < 0.001$), and compliance at $r = 0.721$ ($p < 0.001$). The predictors were also correlated with one another, making the multivariable regression results essential for interpreting each predictor's independent contribution.

4.3 Regression Analysis

Multiple regression was used to determine whether financial reporting accuracy, completeness, and compliance independently predicted operational performance when considered jointly.

4.3.1 Regression Diagnostics

The dissertation reported the regression model summary, ANOVA, and coefficients. It did not provide numerical normality tests, variance inflation factors, tolerance values, a Durbin–Watson statistic, or residual plots. Therefore, these diagnostic assumptions could not be evaluated from the reported tables; no diagnostic results were estimated or introduced in this manuscript.

4.3.2 Model Summary

Table 4. Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.822[a]	.676	.666	.37759

a. Predictors: (Constant), financial reporting compliance, financial reporting accuracy, financial reporting completeness

Source: Field data, 2026.

The model produced R = 0.822 and R^2 = 0.676, indicating that the three predictors jointly accounted for 67.6% of the variation in reported operational performance. The adjusted R^2 was 0.666, and the standard error of estimate was 0.37759. The unexplained 32.4% should not be assigned to specific variables without further evidence.

4.3.3 Analysis of Variance (ANOVA)

Table 5. Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	29.702	3	9.901	69.238	.000[b]
	Residual	14.258	100	.143		
	Total	43.960	103			

a. Dependent Variable: Operational performance

b. Predictors: (Constant), financial reporting compliance, financial reporting accuracy, financial reporting completeness

Source: Field data, 2026

The regression model was statistically significant, F(3, 100) = 69.238, $p < 0.001$. This result supported the joint predictive significance of the reporting variables but did not mean that every individual predictor was statistically significant.

4.3.4 Regression Coefficients

Table 6. Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.609	.208		2.934	.004
	Financial reporting accuracy	.390	.084	.416	4.664	.000
	Financial reporting completeness	.356	.096	.361	3.704	.000
	Financial reporting compliance	.118	.101	.123	1.172	.244

a. Dependent Variable: Operational performance

Source: Field data, 2026

Financial reporting accuracy was a positive, statistically significant predictor of operational performance (B = 0.390, β = 0.416, t = 4.664, $p < 0.001$). Financial reporting completeness was also positive and significant (B = 0.356, β = 0.361, t = 3.704, $p < 0.001$). Financial reporting compliance had a positive coefficient but was not statistically significant after controlling for accuracy and completeness (B = 0.118, β = 0.123, t = 1.172, p = 0.244).

4.3.5 Decision on Null Hypotheses

Null hypotheses were evaluated at the 5% significance level based on the individual regression coefficients.

Table 7. Decisions on Null Hypotheses

Null Hypotheses	P Value	Comment
Ho1: There is no significant effect of financial reporting accuracy on operational performance of Bank of Kigali	P=0.000<0.05	**Rejected**
Ho2: There is no significant effect of financial reporting completeness on operational performance of Bank of Kigali	P=0.000<0.05	**Rejected**
Ho3: There is no significant effect of financial reporting compliance on operational performance of Bank of Kigali.	P=0.244<0.05	**Fail to reject**

H01 and H02 were rejected because the relevant regression p-values were below 0.05. H03 was not rejected because p = 0.244 exceeded 0.05, indicating insufficient evidence of an independent reporting-compliance effect in this model.

4.4 Discussion of Research Findings

The discussion interprets the findings against the empirical studies and theories retained in Section 2. It focuses on the three study objectives and differentiates practical relevance from statistical significance.

4.4.1 Financial Reporting Accuracy and Operational Performance

Financial reporting accuracy was positively associated with operational performance (r = 0.761) and remained a statistically significant predictor in the regression model (B = 0.390, p < 0.001). This finding was consistent with Biehl *et al.* (2024), who explained how financial reporting can support firms' allocation decisions, and with Antwi *et al.* (2024), who highlighted the value of financial reporting technologies in reducing errors. However, Rathnayake *et al.* (2021) found that individual reporting-quality effects on selected financial outcomes were not significant in their Sri Lankan sample, illustrating possible contextual differences. Agency Theory, as discussed by Mitnick (2021) and Tilton *et al.* (2023), offers an explanation: more accurate reporting can reduce information asymmetry and strengthen managerial accountability.

4.4.2 Financial Reporting Completeness and Operational Performance

Financial reporting completeness had a strong positive bivariate association with operational performance (r = 0.750) and a statistically significant adjusted coefficient (B = 0.356, p < 0.001). The result was consistent with Abu Hamour *et al.* (2024), who found that financial reporting quality supported earnings quality, and with E'leimata *et al.* (2023), who connected comprehensive data governance to more reliable reporting. Anichukwu and Ekwueme (2021) also documented links between reporting quality and performance, although the direction of their empirical coefficient differed. Information Theory, discussed by Léon (2021), clarifies why the availability and accurate transmission of complete information can support informed operational decisions.

4.4.3 Financial Reporting Compliance and Operational Performance

Financial reporting compliance correlated positively with operational performance (r = 0.721), but its coefficient became statistically insignificant in the multivariable model (B = 0.118, p = 0.244). Thus, the study did not establish a distinct adjusted performance effect from compliance after accounting for accuracy and completeness. Kaawaase *et al.* (2021) emphasized governance and internal audit quality in improving financial reporting, while Phornlaphatrachakorn and Na Kalasindhu (2021) linked digital accounting with improved reporting quality and decision usefulness. Judijanto *et al.* (2023) also found regulatory compliance relevant to reporting accuracy. From a Signaling Theory perspective (Shahid *et al.*, 2024), compliance may reinforce credibility, even where its separate statistical contribution to operational performance is not established. The findings therefore support maintaining compliance as a governance obligation without overstating its independent performance effect.

5. Conclusions and Recommendations

This section presents conclusions based on the three specific objectives and provides recommendations for strengthening financial reporting practices at Bank of Kigali. The recommendations reflect the significant contributions of accuracy and completeness and the continued institutional importance of compliance.

5.1 Conclusions

The study concluded that financial reporting accuracy and completeness were positive, statistically significant predictors of operational performance at Bank of Kigali.

Accurate classification, verification, and presentation of financial transactions helped produce information suitable for managerial decisions, while complete disclosures improved the information available to evaluate operations and financial obligations.

Financial reporting compliance remained positively correlated with operational performance but was not statistically significant as an independent predictor when accuracy and completeness were included in the regression model. The first two null hypotheses were therefore rejected, whereas the third was not rejected. Given the correlational design, these results supported statistical associations rather than demonstrated causal effects.

5.2 Recommendations

The recommendations are directed at the Bank of Kigali's finance, reporting, audit, and compliance functions in line with the three study objectives.

1. Bank of Kigali should strengthen internal quality assurance by conducting systematic reviews of transaction classification, calculations, reconciliations, and report accuracy before financial information is released.
2. The bank should use standardized reporting templates and disclosure checklists to ensure that all material balances, transactions, assets, liabilities, explanatory notes, and supplementary information are presented comprehensively.
3. The bank should provide regular training on applicable financial reporting standards and maintain compliance monitoring procedures. These actions should complement, rather than substitute for, improvements in the accuracy and completeness of reported information.

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