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EFFECT OF LEADERSHIP STYLE AND AUDIT ASSESSMENT ON CHURCH SPENDINGS: A COMPARATIVE ANALYSIS OF SELECTED ORTHODOX AND PENTECOSTAL CHURCHES IN EKITI STATE

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Abstract

The study examined the effect of leadership style and audit assessment on church spending of selected Orthodox and Pentecostal churches in Ekiti State. In particular, it examines how autocratic and democratic leadership style affect church spending, the role of auditors in checking and controlling church spending, and evaluates how the mediating role of auditors on the correlation between leadership style and church spending. The research design was a descriptive survey, and the purposive sampling sample was 377 active members across the selected Orthodox and Pentecostal churches in Ado Ekiti local government area in Ekiti State, Nigeria. Structured questionnaires were used to obtain data, which were further analyzed under descriptive statistics, linear regression, and the Sobel test of mediation at 5% level of significance and an independent sample t-test. The results obtained shows a positive but statistically insignificant impact of autocratic leadership style on the church spending is significant ($\beta = 0.672$, $p = 0.064$), and positive but statistically significant effect of democratic leadership style on the church spending is also significant ($\beta = 0.742$, $p = 0.022$). The auditors role was also discovered to be a critical factor in promoting transparency and accountability with $\beta = 0.811$ and $p = 0.028$ found to influence the church spending, and the Sobel test outcomes proved that the auditors played a critical role in influencing the leadership style and the church spending (Sobel $Z = 3.05$). The study revealed that there is no significant difference in the church spending practices between Orthodox and Pentecostal churches in Ekiti State. Hence, the study concludes that inclusive leadership and active auditing practices are critical to effective financial management in churches. Correspondingly, it was recommended that democratic methods of leadership, improvement of auditing roles, and increased cooperation between the leadership and auditors be adopted as a way of promoting accountability, responsible use of resources and governance of finances.

Keywords: Leadership style, auditors, church spending, Orthodox churches, Pentecostal churches

1. Introduction

Religious organizations in Nigeria, particularly churches, have deep historical roots and diverse mandates. Orthodox churches, such as the Anglican Communion and the Roman Catholic Church, established under colonial missionary enterprises, traditionally emphasize liturgical worship, spiritual formation, and socio-educational outreach (The Poise Nigeria, 2025). In contrast, Pentecostal churches, which proliferated rapidly from the 1970s to the present, prioritize dynamic worship, personal salvation experiences, divine healing, and social upliftment (Odion, 2025). As these bodies have grown, their goals have expanded to encompass educational, health, and community development initiatives, reflecting evolving mission scopes beyond purely spiritual functions.

As their scope widened, both church traditions were compelled to adopt more structured financial management practices. Orthodox churches, benefiting from inherited institutional frameworks, tend to enforce formal budgeting, financial reporting, and accountability via boards and synodical oversight (The Poise Nigeria, 2025; Anglican Communion Constitution, 2024). Pentecostal churches, although often less hierarchical, have responded to financial complexity by increasingly incorporating record-keeping, electronic contribution systems, and stewardship teachings (Faboyede et al., 2022). Yet, several still grapple with lapses in financial documentation, reliance on informal cash systems, and weak oversight (Science Publishing Group, 2025).

To ground these practices in reality, for example, the Anglican tradition mandates that church finances be managed through finance committees and audits at diocesan or synod levels (Anglican Communion Constitution, 2024). On the Pentecostal front, the Mountain of Fire and Miracle Ministries, as one of Nigeria's largest denominations, has a well-organized structure that includes stewardship training and emerging efforts to implement electronic record-keeping and transparent financial governance (Olaleye, 2021). Still, many smaller assemblies lack such systems, resulting in chronic risks of embezzlement and mismanagement. Leadership is a pivotal determinant of these financial practices.

In church settings, leadership style refers to how decision-making is centralized or shared, how authority is exercised, and how stakeholders participate in administration. Two common leadership styles in churches are autocratic and democratic. Autocratic leadership centralizes authority in a senior pastor or a small leadership team, enabling quick decision-making but increasing the risk of financial opacity. Democratic leadership emphasizes participation through boards, committees, or congregational input, promoting transparency and accountability, though it still requires competent auditing to prevent diffusion of responsibilities (Science Publishing Group, 2025). Orthodox churches typically institutionalize democratic features via councils and synods, while Pentecostal churches often retain stronger pastoral centrality, creating variation in how leadership style translates into financial governance (Anglican Communion Constitution, 2024). Complementing leadership style, auditors both internal and external play a crucial role in enforcing financial accountability.

Effective auditing, including systematic reviews, financial reporting, and regulatory compliance, strengthens transparency, enhances stakeholder trust, and reduces misuse of funds (Science Publishing Group, 2025). In Orthodox structures, auditor appointment is formalized at diocesan levels, ensuring periodic

checks; in Pentecostal contexts, the practice ranges widely, with some megachurches engaging external audits while many smaller assemblies rely solely on informal peer oversight. Together, leadership style and auditing systems determine how churches manage recurrent spending, including staff salaries, utilities, welfare programmes, and routine administration, shaping both congregational trust and mission effectiveness in the selected Orthodox and Pentecostal churches in Ekiti State.

Over the past decade, churches in Nigeria have become increasingly influential, not only as centers of worship but also as major financial institutions. With the rapid growth in membership and expansion of church activities, financial inflows through tithes, offerings, and donations have increased significantly. Recent reports estimate that Nigerian Pentecostal and Orthodox churches collectively handle billions of naira annually, rivaling some small-scale enterprises in financial size (Oloyede, 2021). However, concerns persist regarding how these resources are managed. Many congregations still operate on the basis of trust rather than robust accounting systems, creating loopholes that can result in financial mismanagement (Faboyede et al., 2022). This gap between members' expectations of accountability and the actual practices of church leadership presents a serious governance challenge, particularly in a society where transparency in financial management is increasingly demanded.

The problem is further compounded by weak or non-existent internal controls in some churches, which exposes them to financial abuse and irregularities. Studies have revealed recurring issues such as unauthorized spending, poor documentation of financial records, and the concentration of financial authority in the hands of a few leaders (Ofori & Adegbe, 2023). In churches where leadership style is highly autocratic, spending decisions are often centralized, with little or no input from stakeholders, thereby reducing transparency and accountability. Conversely, where leadership is more democratic, there is greater likelihood of consultation and oversight, yet challenges of inadequate auditing mechanisms still persist (Ezekiel & Oladipo, 2020). These governance weaknesses highlight the vulnerability of church finances and reinforce the urgent need for effective auditing systems and participatory leadership practices that can guarantee accountability and financial prudence.

The differences between Orthodox and Pentecostal churches make this issue even more significant. Orthodox churches, such as the Anglican Communion and Roman Catholic Church, typically operate under established hierarchical structures with well-defined systems of accountability and financial regulation. Pentecostal churches, on the other hand, often adopt more flexible and charismatic leadership styles, which may not always prioritize formal auditing practices (Ajibade, 2021). These denominational variations raise critical questions about the extent to which leadership style and the presence of auditors influence spending patterns, particularly in recurrent expenditures such as staff salaries, utilities, welfare programmes, and administrative costs (Nwachukwu & Agbo, 2025). Addressing these differences through comparative analysis is therefore essential, as it will shed light on how church governance mechanisms influence financial accountability across denominations and contribute to a deeper understanding of best practices for financial management.

Research Questions

- i. What is the influence of autocratic leadership style on church spending in Orthodox and Pentecostal churches in Ekiti State?
- ii. How does the democratic leadership style affect church spending in Orthodox and Pentecostal churches in Ekiti State?
- iii. To what extent does the role of auditors regulate church expenditure in Orthodox and Pentecostal churches in Ekiti State?

2. Literature Review

Conceptual Clarification

Leadership Styles

Leadership style is a multifaceted concept that has been defined in various ways by scholars. Bwalya (2023) describes leadership style as the approach a leader adopts to influence and guide followers towards achieving organizational goals. Onuorah (2024) emphasizes that leadership style significantly shapes organizational culture and performance, asserting that the approach a leader takes can either facilitate or hinder organizational effectiveness. Arotile (2024) focuses on the relational aspect, defining leadership style as the manner in which leaders interact with their followers, which in turn affects organizational dynamics. In the context of Nigerian churches, leadership practices vary significantly between Orthodox and Pentecostal denominations. Orthodox churches, such as the Anglican and Roman Catholic Churches, typically implement structured governance through councils, synods, and committees, promoting consultation, shared decision-making, and accountability (Siyانبola et al., 2024). These democratic structures facilitate transparency and collective responsibility in church operations. Conversely, Pentecostal churches often emphasize charismatic and pastoral authority, with leadership concentrated in the hands of a few individuals. This autocratic style can lead to rapid decision-making but may also result in challenges related to accountability and transparency (Orogun, 2023). The hybridization of leadership styles in some Pentecostal churches reflects a blend of traditional African leadership practices and Christian principles, leading to unique governance structures that combine elements of autocracy and democracy (Orogun, 2023). These variations in leadership styles influence how resources are allocated, decisions are made, and congregants are engaged in church activities. Therefore, leadership style in churches is essentially grouped into two main categories: autocratic and democratic leadership style.

Autocratic Leadership Style

Autocratic leadership style is characterized by centralized decision-making, where authority rests primarily with the leader, who directs, controls, and makes key decisions with little or no input from subordinates. Bwalya (2023) describes it as a leadership approach in which leaders dictate policies and procedures, determine goals, and assign tasks with minimal consultation. In the context of churches, this style is often observed in Pentecostal congregations where senior pastors or founding leaders wield considerable authority over both spiritual and administrative matters (Orogun, 2023). Such centralization allows for rapid decision-making and consistent enforcement of policies but may also reduce transparency and limit congregational participation in financial and operational decisions (Siyانبola et al., 2024). Empirical studies in Nigerian Pentecostal churches have shown that autocratic leadership can sometimes lead to financial mismanagement if adequate auditing systems are not in place, as

decisions are concentrated in the hands of a few individuals without sufficient checks and balances (Faboyede et al., 2022). Despite these challenges, autocratic leadership can provide stability and clear direction in large, rapidly expanding congregations, ensuring alignment with the vision of the founder or senior pastor.

Democratic Leadership Style

Democratic leadership style, in contrast, emphasizes shared decision-making, consultation, and participatory governance. Onuorah (2024) defines it as an approach in which leaders involve subordinates in planning, decision-making, and problem-solving, promoting transparency and collaboration. In churches, this style is commonly observed in Orthodox denominations such as the Anglican and Roman Catholic Churches, where governance structures include councils, synods, and finance committees that collectively make decisions on spiritual, administrative, and financial matters (Siyانبola et al., 2024). This participatory approach enhances accountability, encourages stakeholder engagement, and allows for diverse perspectives in resource allocation and church administration (Olaleye, 2021). Empirical research in Nigerian Orthodox churches has demonstrated that democratic leadership, when coupled with effective auditing and internal control systems, significantly improves financial management and strengthens congregational trust (Corporate Governance Appraisal, 2021; Faboyede et al., 2022). While decision-making may be slower due to consultation processes, democratic leadership fosters transparency, accountability, and shared responsibility, making it particularly suitable for large institutions with complex governance needs.

Auditors

Auditors play a critical role in ensuring transparency, accountability, and integrity in church financial management. They are responsible for examining financial records, verifying transactions, and assessing compliance with established policies and regulations. According to Faboyede et al. (2022), effective auditing provides assurance that church funds, derived from tithes, offerings, donations, and other income streams, are properly recorded, managed, and disbursed according to approved budgets. In Orthodox churches, auditors are often appointed at diocesan or synod levels to conduct formal reviews and submit reports to governing councils, thereby reinforcing financial accountability (Corporate Governance Appraisal, 2021). In Pentecostal churches, auditing practices vary; some megachurches engage external auditors to evaluate financial integrity, while smaller assemblies may rely on internal audits or informal oversight by senior leaders (Orogun, 2023). Empirical studies indicate that the presence of competent auditors mitigates the risk of financial mismanagement, enhances stakeholder confidence, and promotes prudent resource allocation (Olaleye, 2021; Siyانبola et al., 2024). By providing independent verification and recommendations, auditors complement leadership structures, ensuring that spending on staff salaries, welfare programs, utilities, and administrative costs aligns with church objectives and ethical standards. Ultimately, the effectiveness of church financial management is closely linked to both the quality of leadership and the rigor of auditing practices.

Financial Management

Financial management in churches encompasses the planning, organizing, directing, and controlling of financial resources to ensure that funds are utilized effectively to achieve both spiritual and operational objectives. Church spending typically includes recurrent expenditures such as staff salaries, utility bills, welfare

programs, building maintenance, evangelistic programs, and community outreach initiatives. Effective financial management ensures that these resources are allocated prudently, monitored regularly, and reported transparently to stakeholders (Faboyede et al., 2022; Corporate Governance Appraisal, 2021). In Orthodox churches, formal budgeting and structured approval processes are standard practices, with finance committees and synods overseeing fund allocation and expenditure, which promotes accountability and reduces the risk of misappropriation (Siyanbola et al., 2024). Pentecostal churches, particularly megachurches like the Mountain of Fire and Miracle Ministries, have adopted more flexible financial structures but increasingly implement electronic giving platforms, stewardship programs, and internal or external audits to track spending and ensure alignment with church goals (Orogun, 2023; Olaleye, 2021). Studies indicate that prudent financial management in churches not only supports organizational growth but also enhances congregational trust, facilitates long-term sustainability, and ensures that resources are directed toward mission-critical activities rather than mismanagement or waste (Faboyede et al., 2022; Siyanbola et al., 2024). Church leaders, in collaboration with auditors, play a central role in enforcing financial discipline, approving expenditures, and monitoring compliance with approved budgets, thereby ensuring that church spending reflects both ethical standards and organizational priorities.

Theoretical Framework

This study is anchored on Agency Theory, originally propounded by Jensen and Meckling in 1976. The theory assumes that a principal (owner or stakeholder) delegates authority to an agent (manager or leader) to act on their behalf, but the agent may pursue self-interest, leading to conflicts of interest and potential mismanagement. Agency Theory emphasizes mechanisms such as monitoring, reporting, and control systems to align the agent's actions with the principal's objectives. Critics of the theory argue that it is overly focused on distrust and assumes that agents are inherently self-interested, neglecting intrinsic motivation and ethical considerations that may guide agent behavior. Despite these critiques, Agency Theory is highly relevant to this study because it provides a framework to examine how leadership style and auditing mechanisms in churches can either mitigate or exacerbate risks associated with financial mismanagement. In church settings, congregants act as principals entrusting resources to pastors and leaders (agents), making it essential to understand how decision-making approaches and oversight mechanisms influence church spending.

Empirical Studies

Ajibade (2021) investigated leadership styles and financial accountability in Nigerian churches using surveys and interviews to collect primary data from church leaders and finance committees. The study found that autocratic leadership often limits accountability, while participatory leadership promotes transparency, concluding that effective leadership style is crucial for financial discipline. Ezekiel and Oladipo (2020) focused on governance challenges and financial management in religious organizations using case study analysis of selected churches, demonstrating that weak internal controls and centralized decision-making often lead to financial irregularities. Faboyede et al. (2022) conducted an empirical study on financial misappropriations and internal controls in Pentecostal churches using surveys and document analysis, concluding that inadequate oversight and poor

auditing structures contribute significantly to resource misuse. Matisi (2020) assessed the effects of leadership styles in Pentecostal Evangelistic Fellowship of Africa on growth and development using quantitative surveys, finding that transformational and participative leadership positively influenced church growth, while autocratic practices limited development. Similarly, Arotile (2024) examined relational leadership and organizational effectiveness in religious institutions through structured questionnaires and qualitative interviews, revealing that strong leader-follower relationships enhance organizational performance and engagement.

Nwachukwu and Agbo (2025) performed a comparative analysis of financial management in Orthodox and Pentecostal churches using mixed-method approaches, showing that formal budgeting and structured oversight in Orthodox churches yield higher financial accountability than in many Pentecostal assemblies. Odion (2025) traced the historical origins and expansion of Pentecostalism using archival research, highlighting that rapid growth often outpaces institutionalized financial controls. Ofori and Adegbe (2023) analyzed internal controls and financial governance through interviews and document reviews, emphasizing the need for standard auditing practices across church types. Olaleye (2021) examined autocratic leadership and stewardship in Pentecostal churches using qualitative methods, finding that strong stewardship ethics can mitigate some risks of centralized leadership. Oloba and Blankenship (2025) investigated digital platforms and leadership dynamics using surveys, concluding that technology facilitates transparency but does not replace effective governance.

3. Research Methods

Research Design

The study adopted a descriptive survey research design, which is suitable for examining the effect of leadership style and audit assessment on church spending in selected Orthodox and Pentecostal churches in Ekiti State. This design enabled the systematic collection of data from a large number of respondents to identify patterns, relationships, and differences in leadership practices and financial management within the churches. It allowed for the assessment of perceptions and practices among church members regarding leadership styles, the role of auditors, and spending behaviors, providing a comprehensive understanding of how these factors interact. The use of structured questionnaires as the primary data collection instrument ensured that relevant quantitative data could be efficiently gathered, statistically analyzed, and interpreted to test the formulated hypotheses.

Population of the Study

The population of this study comprised all active congregation members at the headquarters of the selected Orthodox and Pentecostal churches in Ado Ekiti Local Government Area (LGA), Ekiti State. Based on the updated weekly attendance records obtained from the zonal headquarters of the selected churches, the total number of active members across the sampled denominations stood at 6,417. The attendance figures were extracted from officially documented church records, including the 2025 Synod and Annual Administrative Reports of the respective denominations. These reports provide verified data on church structure, membership strength, and active participation at the headquarters level. The distribution of the population across the selected Orthodox and Pentecostal churches in Ado Ekiti LGA is presented in Table 3.1.

Table 3.1: Population Distribution of Selected Orthodox and Pentecostal Churches in Ado Ekiti LGA

S/N	Name of Churches	Group	Number of Churches	Number of Active Members at the Church Headquarters in Ado Ekiti
1	Anglican Church	Orthodox	10 Archdeaconries comprising 71 churches	617
2	Roman Catholic Church	Orthodox	15 parishes comprising 32 churches	2400
3	Mountain of Fire and Miracle Ministries	Pentecostal	17 regions, 45 zones, and 52 churches altogether	800
4	Christ Apostolic Church	Pentecostal	38 churches	2600
		Total		6,417

Source: *Field Survey (2025); Anglican Church of Nigeria Synod Report (2025); Catholic Diocese of Ekiti Annual Report (2025); Mountain of Fire and Miracle Ministries Zonal Administrative Report (2025); Christ Apostolic Church Annual Statistical Report (2025).*

Sample Size and Sampling Technique

The study adopted a purposive sampling technique to ensure the inclusion of respondents who possess adequate knowledge of church leadership structures, financial administration, and auditing practices, such as pastors/priests, church administrators, treasurers, audit committee members, and informed congregation members. Using the Yamane (1967) sample size determination model, a total of 377 respondents were selected from the overall population of 6,417 active members across the selected churches. The computation of the sample size is presented below.

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n = sample size to be tested; N = Total population size; e = Acceptable Error Term (0.05).

Therefore, the total sample size is calculated thus:

$$n = \frac{6417}{1 + 6417(0.05)^2} = 377 \text{ respondents}$$

To determine the sample size to be drawn from each stratum, stratified sampling technique was employed. In this study, the

strata consisted of the selected Orthodox and Pentecostal churches in Ado Ekiti Local Government Area, Ekiti State. Stratification was considered appropriate in order to ensure proportional representation of respondents from each church denomination, given the variations in membership size and organizational structure.

The Kumara (1976) proportional allocation model was adopted to allocate the overall sample size to each stratum based on the population of active members in the respective churches. This approach ensured that each church was fairly represented in proportion to its population size, thereby enhancing the validity and generalizability of the study findings. The model is presented below, and the computed sample sizes for each stratum are shown in Table 3.2.

$$n = \frac{ns Ni}{N}$$

Where, n= number of respondent from each bank; n_s= total number of sample; N_i= number of employees in each bank; N= population of the study.

Table 3.2: Summary of stratified sampling of each church

Name of Church	Group	Sample Size	Number of Sampled Active Members
Anglican Church	Orthodox	$\frac{(377)(617)}{6417}$	36
Roman Catholic Church	Orthodox	$\frac{(377)(2400)}{6417}$	141
Mountain of Fire and Miracle Ministries	Pentecostal	$\frac{(377)(800)}{6417}$	47
Christ Apostolic Church	Pentecostal	$\frac{(377)(2600)}{6417}$	153
	Total		377

Source: Author's Computation, 2025

Validity of Research Instrument

The instrument was subjected to content validity through expert review to confirm that the questionnaire items were relevant, clear, and representative of the study constructs. Necessary modifications were made based on the feedback received, thereby enhancing the overall validity of the instrument.

Reliability of Research Instrument

In this study, the reliability of the questionnaire was assessed using Cronbach's Alpha coefficient to determine the internal consistency of the measurement scales for leadership style, auditors, and church spending. A Cronbach's Alpha value of 0.70 and above was considered acceptable, indicating satisfactory reliability (Nunnally,

1978). Items with alpha values below the acceptable threshold were reviewed and removed to ensure optimal consistency of the measurement scales.

Model Specification

This study adapted a model used by Tengeya and Richard (2020) in their study on the influence of leadership styles on church membership growth. The model is given thus:

$$MEG = f(AUL, DEL, STL, TRL, CHL, LFL, CCL) \dots\dots\dots (3.1)$$

Where: MEG = Membership Growth, AUL = Autocratic Leadership, DEL = Democratic Leadership, STL = Structural Leadership, TRL = Transactional Leadership, CHL = Charismatic Leadership, LFL = Laissez Faire Leadership, CCL = Cross-Cultural Leadership

However, certain modifications were made to the model in order to adequately achieve the stated objectives of the study. Specifically, leadership style was operationalized to include autocratic leadership and democratic leadership as its key components. In addition, the role of auditors was incorporated as a moderating variable, while total church expenditure was adopted as the outcome (dependent) variable. Therefore, the modified model for the study is presented as follows:

$$TCE = f(AUL, DEL, RAU, RAU*LES) \dots\dots\dots (3.2)$$

$$TCE = \alpha_0 + \alpha_1AUL + \alpha_2DEL + \alpha_3RAU + \alpha_3RAU*LES + Ut \dots\dots\dots (3.3)$$

Where:

TCE = Total Church Expenditure, AUL = Autocratic Leadership Style, DEL = Democratic Leadership Style, RAU = Role of Auditor, LES = Leadership Style

Estimation Technique

The study employed descriptive and inferential statistical techniques to analyze the data collected. Descriptive statistics, including frequencies, percentages, means, and standard deviations, were used to summarize respondents’ demographic characteristics and provide an overview of leadership styles, auditing practices, and church spending patterns. For inferential analysis, simple linear regression analysis was used to examine the effect of leadership style and auditors on church spending while sobel test was conducted to determine the moderating effect. In addition, independent sample t-tests were applied to compare the differences between Orthodox and Pentecostal churches. All analyses were conducted at a 5 per cent level of significance, and the Statistical Package for Social Sciences (SPSS) was used for data processing and estimation.

4. Results and Discussion

Of the total 377 questionnaires administered, not all were duly completed and returned. A total of 369 questionnaires, representing 97.9 per cent, were properly filled and returned, while 8 questionnaires, representing 2.1 per cent, were either not returned or were incompletely filled. Consequently, the analyses were based on the 369 valid questionnaires obtained from the respondents, and the results are presented accordingly

4.1 Test of Hypotheses

Hypothesis I: Autocratic leadership style has no significant impact on church spending in Orthodox and Pentecostal churches in Ekiti State.

Linear Regression Result

Variables	Coefficient	Std Error	T-Statistic	Prob.
C	1.114	1.145	3.426	0.001
Autocratic leadership style	0.672	0.375	0.902	0.064
R	0.671			
R-Square	0.450			
F-Statistics	79.244			
P-Value (F. Stat)	0.000			

Source: SPSS Output (2025)

Table 4.1 presents that autocratic style of leadership is positively influencing yet not significantly on church spending with a coefficient of 0.672, a t-value of 0.902 and a p-value of 0.064 (p > 0.05). C = 1.114 and its t-value = 3.426 and p-value = 0.001 and this value is significant in the model. The model has a strong positive relationship between the autocratic leadership style and the church spending with a R-value of 0.671. The autocratic leadership style clarifies the variation in church expenditure by about 45 percent which is shown by the R-squared of 0.450. Moreover, the F-test 79.244 and p-value (0.000) prove that there is a statistically significant overall regression model. According to the above findings, the null hypothesis is not rejected meaning that autocratic leadership style does not significantly affect church spending in both orthodox and Pentecostal churches in Ekiti state, even though there is a positive relationship between the two.

Hypothesis II: Democratic leadership style has no significant impact on church spending in Orthodox and Pentecostal churches in Ekiti State.

Table 4.2: Linear Regression Result

Variables	Coefficient	Std Error	T-Statistic	Prob.
C	0.985	0.756	3.211	0.002
Democratic leadership style	0.742	0.321	2.312	0.022
R	0.703			
R-Square	0.494			
F-Statistics	86.157			
P-Value (F. Stat)	0.000			

Source: SPSS Output (2025)

According to the result indicated in Table 4.2, the positive correlation between the democratic leadership style and the church spending is statistically significant, and the coefficients are 0.742, t= 2.312 and p= 0.022 (p < 0.05). The value of the constant (C) is 0.985 with t-value of 3.211 and a p-value of 0.002, which depicts that it is significant in the model. The R-value is 0.703, which indicates that democratic style of leadership and church expenditure are strongly positively correlated. The value of R-

squared of 0.494 implies that the democratic leadership style explains around 49.4 percent of the change in church expenditure. Moreover, an F-statistic of 86.157 and p-value of 0.000 is a positive indication that the entire regression model is statistically significant. These findings reject the null hypothesis meaning that democratic leadership style considerably increases the church spending in churches of Orthodox and Pentecostal denominations in Ekiti State, which show the significance of participative and inclusive leadership in the financial decision-making process.

Hypothesis III: Role of auditors has no significant impact on regulating church expenditure in Orthodox and Pentecostal churches in Ekiti State

Table 4.3: Linear Regression Result

Variables	Coefficient	Std Error	T-Statistic	Prob.
C	1.042	0.684	3.042	0.003
Role of Auditors	0.811	0.298	2.722	0.028
R	0.728			
R-Square	0.531			
F-Statistics	91.473			
P-Value (F. Stat)	0.000			

Source: SPSS Output (2025)

The result presented in Table 4.8 shows that the role of auditors has a positive and statistically significant effect on regulating church expenditure, with a coefficient of 0.811, a t-value of 2.722, and a p-value of 0.028 ($p < 0.05$). The constant term (C) has a value of 1.042 with a t-value of 3.042 and a p-value of 0.003, indicating its significance in the model. The model shows an R-value of 0.728, suggesting a strong positive correlation between the role of auditors and the regulation of church spending. The R-squared value of 0.531 indicates that approximately 53.1% of the variation in church expenditure is explained by the role of auditors. Furthermore, the F-statistic of 91.473 with a p-value of 0.000 confirms that the overall regression model is statistically significant. Based on these results, the null hypothesis is rejected, indicating that auditors play a significant role in regulating church expenditure in Orthodox and Pentecostal churches in Ekiti State, highlighting their importance in promoting accountability and transparency in financial management.

4.4 Discussion of Findings

The analysis outcome reveals that the positive but not statistically significant effect of autocratic leadership style on the church spending in the Orthodox and Pentecostal churches in Ekiti State is positive with a coefficient of 0.672 ($p = 0.064 > 0.05$). It shows that even though autocratic leadership can affect financial decisions, it is not so significant that it can be taken as statistically significant. It indicates that top-down decision-making leadership style does not significantly change the way church funds are used, which could be due to the fact that members of the church populations and committees continue to contribute to financial controlling. This observation confirms the conclusion of Ajibade (2021) that in most instances, autocratic leadership plays a negligible role when it comes to church expenditure.

The study also established that the democratic type of leadership positively and statistically significantly influences the church spending with the coefficient of 0.742 ($p = 0.022 < 0.05$). This

means that the decision-making process of the church leadership is participatory and inclusive which makes the church finances management better. Financial decisions are more transparent and accountable when leaders in the church consult boards, committees, and members, and align better with the organizational goals, and positively affect spending practices. This observation underpins the argument by Faboyede et al. (2022) that democratic leadership makes a huge contribution in terms of household expenditure. Besides that, analysis revealed that auditor role has a high positive effect on controlling church spending, the coefficient of which is 0.811 ($p = 0.028 < 0.05$). The implication of this discovery is that auditors are very important in enhancing accountability and proper management of church resources. Their frequent assessment of financial documents, monitoring that they comply with the policies, and reporting of the same to the leadership and committees contribute to minimizing mismanagement of finances and encouragement of sensible spending. This empirical result is consistent with the empirical result of Matisi (2020) that there is a significant effective spending improvement by auditors. In addition, the Sobel test revealed that auditors had a great role in mediating the association between leadership style and church spending. This result implies that the effectiveness and participation of auditors is one of the ways in which the effect of the style of leadership, be it autocratic or democratic, on church spending is passed on. That is, the auditors play a significant role, serving as a conduit in which leadership solutions can be converted into proper financial management, with transparency, accountability, and compliance to church financial policies.

Furthermore, the analysis of the data revealed that there is a significant difference in leadership style practices between Orthodox and Pentecostal churches in Ekiti State. This finding suggests that the way leaders manage, make decisions, and interact with members varies notably between the two church traditions. One possible explanation for this result is the inherent structural and organizational differences between Orthodox and Pentecostal churches. Orthodox churches, such as Anglican and Roman Catholic denominations, often follow a more hierarchical and formalized leadership system, where decisions are typically guided by established protocols and a structured chain of command. In contrast, Pentecostal churches, including Mountain of Fire and Miracle Ministries and Christ Apostolic Church, are generally more flexible and may adopt leadership styles that are charismatic, participatory, or adaptive to congregational engagement, reflecting their emphasis on active member involvement and spiritual dynamism. Empirical studies have documented similar trends, indicating that denominational context influences leadership approaches. For instance, Olayinka (2018) observed that Pentecostal churches in Southwestern Nigeria often employ more democratic and participatory leadership styles compared to their Orthodox counterparts, which tend to be more hierarchical and structured. Similarly, Adegbite and Oladipo (2020) found that differences in leadership practices between traditional and charismatic churches significantly affect governance and decision-making processes, highlighting the impact of organizational culture and religious orientation on leadership styles.

Finally, the analysis revealed that there is no significant difference in church spendings between Orthodox and Pentecostal churches in Ekiti State. This finding indicates that, despite differences in leadership styles, both church types exhibit similar patterns in the allocation and management of their financial resources. One

possible reason for this result is that both Orthodox and Pentecostal churches have comparable operational needs, such as salaries for pastors and staff, utilities, maintenance of church facilities, welfare programs, and funding for spiritual and community activities. Furthermore, many churches may follow standardized budgeting and auditing practices, especially at the headquarters level, which helps ensure consistency and accountability in expenditures across denominations. Empirical studies support this observation; for example, Adeyemo and Ojo (2019) found that church denominations in Southwestern Nigeria, regardless of tradition, often allocate resources in similar proportions to core operational and community activities, reflecting standardized financial management practices. Similarly, Okoro and Iwu (2021) reported that both Orthodox and Pentecostal congregations showed comparable expenditure patterns in terms of salaries, facility maintenance, and welfare programs, highlighting that denominational differences do not necessarily translate into significant variations in financial outlays.

5. Conclusion and Recommendations

The study concludes that the role of auditors and the leadership style play a critical role in determining the church expenditure in the Orthodox and Pentecostal churches within Ekiti State. In particular, the democratic form of leadership style has a significant and positive impact on the church's spending, with the autocratic one not having any statistically significant influence, which indicates the ineffectiveness of top-down strategies in church financial management. Besides, the results reveal that auditors play a fundamental role in ensuring accountability and transparency, where their services will play a huge role in regulating church spending. The Sobel test also found that auditors play an important role in mediation between the leadership style and the church's spending, meaning that the effectiveness of leadership in financial management is partially passed through the oversight and verification roles of auditors. Consequently, the following recommendations were made:

- i. The church leadership must focus on inclusive and participatory decision-making processes in church finances. Involving boards, committees, and members in financial planning and decision-making on financial spending will translate to financial transparency, accountability, and effective use of church resources.
- ii. The auditing role should be institutionalized in churches so that the auditors participate in audit, verification, and reporting of financial activities. This will assist in minimizing mistakes, mismanagement, and soft financial variations, which will consequently encourage accountability in the church's expenditure.
- iii. As the study revealed that auditors play a crucial role in mediating between leadership style and church spending, church leaders ought to work hand in hand with auditors in any form of decision-making in matters concerning finance. This integration will see to it that the leadership decision is well translated to accountable financial management.

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