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APPLICATION OF UPPER ECHELEON THEORY IN IFRS 6 EXPLORATION AND EVALUATION ACCOUNTING DISCLOSURE: A CASE OF AFRICAN FIRMS

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ABSTRACT

Aim: The study evaluated the application of upper echelon theory on IFRS 6 disclosure practices among African exploration firms. The research examined how CEO gender, board gender, board committee gender, and top management gender correlate with the level of IFRS 6 disclosure within Africa's exploration industry.

Methodology: The study used ex post facto research design. Filtered sampling was adopted in selecting the sampled firms from African upstream, downstream, mining and metals industry. Data collected from Machame Ratios for 2012-2022 were analyzed through ordinal logistic regression.

Findings: The findings revealed that CEO gender has an insignificant effect on IFRS 6 disclosure practices with confidence interval of -2.0057. Board gender showed a significant negative effect on IFRS 6 disclosure with a p-value of -0.0491. In contrast, board committee gender and top management gender positively and significantly influenced IFRS 6 disclosure with p-values of 0.0073 and 0.0059 respectively.

Contributions: The study contributed to the existing literature on the framework of upper echelon theory as it influenced IFRS 6 disclosure practices among Africa exploration firms.

Recommendations:

- It recommended the need for researchers to further explore upper echelon specific characteristics in comparison with other industries.
- It recommended that training programs should be developed to enhance the IFRS 6 expertise of accountants and financial professionals in the African context.
- The study recommended that policymakers and corporate governance advocates should not only focus on gender diversity but also on leadership competencies and regulatory frameworks.

Implications for Africa:

African firms should prioritize promoting women into key decision-making positions like board committee and top management. This can enhance transparency and compliance with IFRS 6. Firms should focus on fostering inclusive environments where diverse boards can thrive and positively influence financial reporting

Keywords: African exploration firms, Financial reporting standards, Gender diversity, IFRS 6 disclosure, Ordinal regression, Upper echelon theory

1. INTRODUCTION

In the realm of financial reporting, the International Financial Reporting Standards (IFRS) play a pivotal role in ensuring transparency and comparability among companies. This role emerged in response to concerns about misrepresentation, lack of transparency, incomparability, and nondisclosure in financial statements globally (Francesco *et al.,* 2019). Proper disclosure is essential for investors, creditors, and other stakeholders to assess the risks and potential rewards associated with a company, particularly those involved in exploration and evaluation activities. However, variations and insufficient disclosures of exploration and evaluation activities over time continue to make it challenging for investors to evaluate a company's prospects. IFRS 6 addresses this issue by requiring companies to provide transparent and comparable information about their exploration and evaluation activities.

African firms have been found to default in accounting disclosure aligned with IFRS. Lasisi *et al.* (2022) observed that many African firms fail to provide detailed information on exploration and evaluation assets, liabilities, and expenses, resulting in non-adherence to IFRS 6 requirements and inconsistent reporting practices. Challenges such as limited expertise in IFRS 6 reporting among accountants, auditors, and financial analysts, alongside the high costs and complexity of compliance, discourage both large and smaller firms from adhering to the standards. Addressing these challenges is crucial to improving IFRS 6 disclosures in African firms, enhancing transparency, and building investor confidence.

Businesses in African nations operate within a diverse and dynamic environment characterized by varying social, economic, and cultural norms. Understanding how the characteristics of top executives, including gender diversity, influence accounting disclosure practices is essential. Bekos and Chari (2023) opined that a poorly dervisfied and experienced top management team, will not only affect performance of the business but also reflect in the image of the firm through the firms accounting disclosure. IFRS 6 pertains to disclosure requirements for exploration and evaluation assets within the extractive industry, a sector of critical importance to many African economies. The Upper Echelon Theory (UET) offers a framework for understanding how the characteristics of top management influence corporate decisions and behaviors (Martin *et al.,* 2016). UET posits that the values, beliefs, and experiences of top managers, including their gender, shape decision-making processes and ultimately impact corporate actions (Hesham *et al.,* 2020).

Despite the growing literature on UET (Bekos & Chari, 2023; Ye, 2022; Martin *et al.,* 2016) and gender diversity in corporate governance (Boateng *et al.,* 2022; Lasisi *et al.,* 2022; Igbekoyi & Henry, 2018), a significant gap remains in understanding how these factors interact to shape IFRS 6 disclosure practices in African firms. Specifically, research on the roles of CEO gender, board gender, board committee gender, and top management gender—key factors of UET—in explaining IFRS 6 disclosure levels in the African context is limited. This study seeks to fill this gap by applying UET to evaluate IFRS 6 disclosures among African firms. The research examines how CEO gender, board gender, board committee gender, and top management gender correlate with the level of IFRS 6 disclosure within Africa's exploration industry. Through the UET framework and a quantitative approach, this study aims to contribute to the understanding of corporate governance, accounting disclosure practices, and the influence of gender diversity within the African business landscape.

By analyzing the relationship between UET and IFRS 6 disclosure in African firms, researchers can gain valuable insights into the factors driving transparency and accountability in financial reporting. As firms strive to meet international standards and stakeholder expectations, understanding the impact of CEO gender, board gender, and top management gender on disclosure practices becomes increasingly important. Rigorous empirical research and comprehensive analysis can enrich the discourse on gender diversity, leadership characteristics, and financial disclosure in the African context, ultimately fostering improved governance and compliance.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 IFRS 6 Accounting Disclosure

Minimum financial information, as established by law or regulation, that must be presented in a business's financial statements or reports is referred to as accounting disclosure (Lasis *et al.,* 2022; Sunny, 2022). The IFRS 6 disclosure index measures the degree of compliance with the requirements of IFRS 6. IFRS 6, which pertains to the exploration for and evaluation of mineral resources, provides guidance on the accounting treatment of exploration and evaluation (E&E) expenditures incurred by oil and gas companies (Abdulrahman & Abdal, 2019). This framework offers flexibility in recognizing and measuring E&E expenditures, allows the capitalization of costs under specific conditions, and mandates impairment testing and disclosure. It enables oil and gas companies to present a clear and consistent depiction of their exploration activities, which is critical for investors and regulators.

The disclosure requirements of IFRS 6 emphasize providing comprehensive insights into the nature of E&E activities, their financial implications, and the associated risks in the financial reports of firms engaged in exploration and mining businesses (Abdo, 2016). Nejad *et al.* (2020) stated that the adoption of IFRS enhances the quality and usefulness of accounting information. Improved financial disclosures under IFRS are believed to reduce agency costs and bridge the information asymmetry between managers and investors. This underscores that IFRS 6 disclosures enhance transparency by offering users a clearer understanding of E&E activities, enabling them to make more informed decisions about an entity's financial performance and position.

2.2 Upper Echeleon Theory

The Upper Echelons Theory (UET) was introduced in a seminal paper written in 1984 by Donald C. Hambrick and Phyllis A. Mason. The theory posits that organizational outcomes, including strategic choices and performance, are influenced by the characteristics of top executives. It emphasizes the importance of the demographic, cognitive, and psychological attributes of senior leaders in shaping organizational behavior and decisions. Hambrick and Mason (1984) proposed UET to offer a fresh perspective on two central questions in organizational theory: why organizations behave in specific ways and what factors influence their performance. Hambrick (2018) suggested that the characteristics of top executives significantly affect organizational behavior, including corporate strategy, innovation, performance, and crisis management. These traits shape decisions regarding diversification, mergers, and market positioning. Diversity within the top management team (TMT) fosters creative innovation by integrating varied perspectives. Key attributes such as age, risk tolerance, and experience also correlate with organizational success, influencing leadership's approach to decision-making (Chung & Low, 2022; Hoskisson *et al.,* 2017).

The theory remains highly relevant in organizational studies and strategic management (Bekos & Chari, 2023). Traits such as diversity, risk tolerance, education, and industry experience shape how leaders drive organizational resilience, transformation, performance, and value disclosure. The characteristics of leaders play a critical role in corporate strategy, innovation, organizational performance, and crisis management (Bekos & Chari, 2023). In the context of IFRS 6 disclosures, UET explains how executives' cognitive traits and demographic profiles influence financial reporting practices related to exploration and evaluation expenditures. The theory underscores the role of leadership in aligning reporting practices with stakeholder expectations, enhancing transparency and trust in compliance with IFRS 6.

Critics of UET argue that it oversimplifies decision-making by focusing narrowly on individual executive traits while neglecting broader organizational, cultural, and environmental influences (Neely *et al.,* 2020). The use of demographic traits as proxies for cognitive attributes is often insufficient for capturing the complexities of leadership. The theory also struggles to establish clear causation between executive characteristics and organizational outcomes due to intervening factors and tends to overlook the role of external constraints and middle management in shaping decisions. This narrow focus limits its ability to fully explain complex organizational dynamics (Ye, 2022).

Despite its limitations, the Upper Echelons Theory remains a foundational framework for understanding the connection between leadership characteristics and organizational outcomes. This study applies UET by examining the diversity of chief executive officer (CEO) gender, board gender, board committee gender, and top management gender.

2.3 CEO Gender and IFRS 6 Accounting Disclosure

Studies on CEO gender and its influence on various corporate outcomes, such as IFRS 6 accounting disclosures, continue to expand in academic research. Kamasak *et al.* (2020) and Jiang *et al.* (2024) present contrasting perspectives on how CEO gender is conceptualized. Kamasak et al. framed CEO gender within a traditional binary framework, distinguishing between male and female CEOs. This perspective reflects the historical dominance of male CEOs while acknowledging the growing push for gender diversity in leadership. However, the binary framework limits the discussion to male-female comparisons, which have traditionally been the primary lens for exploring corporate governance and leadership dynamics.

In contrast, Jiang *et al.* (2024) adopted an inclusive approach by recognizing non-binary gender identities, thereby broadening the discourse on leadership beyond the male-female binary. This shift underscores the importance of fostering inclusive organizational cultures where leaders of all gender identities can contribute. Such inclusivity represents a significant step toward dismantling gender stereotypes in leadership roles. By adopting this framework, organizations can achieve a more comprehensive understanding of how gender influences corporate governance and outcomes, including compliance with accounting standards like IFRS 6.

Expósito *et al.* (2023) contributed to the discussion by exploring behavioral differences between male- and female-led businesses, particularly in areas like innovation and risk tolerance. Their findings suggest that female CEOs tend to prioritize transparency and stakeholder engagement, potentially leading to better compliance with regulations such as IFRS 6. Female leaders' lower risk tolerance may result in more detailed financial disclosures, as transparency aligns with risk-averse corporate governance strategies.

On financial comparability, Wang *et al.* (2023) examined the role of gender in CFOs and found that firms with female CFOs demonstrated higher financial statement comparability compared to those led by male CFOs. While their study focused on Chinese firms, these findings support the broader hypothesis that gender diversity in leadership, including CEOs and CFOs, enhances the quality and reliability of financial reporting. Similarly, Ferguson *et al.* (2021) analyzed factors affecting the value relevance of disclosures. They noted that the flexibility of IFRS 6, particularly regarding the capitalization of R&D expenses, provides firms latitude in disclosure. Female CEOs, being more risk-averse, may prioritize transparency, ensuring compliance with IFRS 6.

Jallad (2020) investigated corporate governance factors, including gender diversity, and their impact on compliance with IAS/IFRS disclosures in Qatar. The study revealed mixed results, with gender diversity being negatively correlated with compliance in some models but positively correlated in others, highlighting the complex, context-dependent nature of these relationships. Additionally, Chen *et al.* (2022) examined CEO compensation gaps and their relation to broader corporate performance, including disclosures. Their findings on gender pay disparities offer further evidence that CEO gender may influence corporate practices such as financial disclosures, supporting the notion that gender diversity affects IFRS 6 compliance.

Overall, the literature by Wang *et al.* (2023), Ferguson *et al.* (2021), and Chen *et al.* (2022) provides significant positive evidence on the relationship between CEO gender and IFRS 6 accounting disclosures. Similarly, Jallad (2020) found a positive significant relationship between CEO gender and IFRS 6 accounting disclosure requirements in certain models. These empirical findings collectively broaden the understanding of how CEO gender impacts IFRS 6 accounting disclosures across firms.

$H_0$1: *There is no significant effect of CEO gender on IFRS6 exploration and evaluation accounting disclosure in African firms.*

2.4 Board Gender and IFRS 6 Accounting Disclosure

Amorelli *et al.* (2021) argued that board gender diversity necessitates policies that foster an inclusive environment where all genders can contribute meaningfully. Gender diversity on boards introduces unique perspectives, which can positively influence the decision-making process and enhance the quality of IFRS 6 disclosures. Similarly, Brahma *et al.* (2021) found that female board members, particularly those in executive director positions, positively affect financial performance and are associated with improved disclosures due to enhanced oversight and decision-making processes.

Wachira (2019) highlighted that research on gender diversity and accounting disclosures has yielded mixed results. While some studies suggest a positive relationship between gender-diverse boards and higher-quality disclosures, others report no significant effects or even negative associations. This underscores the need for further exploration of how gender diversity impacts disclosure practices across different contexts.

In their study, Seebeck and Vetter (2021) examined board gender diversity in the context of corporate risk disclosure during the Brexit vote in the UK. Their findings indicated that more gender-diverse boards were correlated with better risk disclosure. Notably, they observed that this effect becomes evident only when the proportion of women on the board reaches a critical mass, emphasizing that token representation may be insufficient to drive significant change.

Studies by Kabwe *et al.* (2021) and Nalukenge (2020) investigated the relationship between corporate governance attributes and IFRS disclosure compliance in African firms. Kabwe *et al.* found that board members with accounting and auditing expertise, as well as female board representation, positively influenced IFRS compliance in Zambian firms. However, they also reported a negative relationship between audit committee independence and IFRS compliance, suggesting that committee dynamics and independence can complicate compliance efforts. Similarly, Nalukenge's study in Uganda highlighted the critical role of boards in driving compliance with IFRS disclosure standards, particularly in microfinance institutions (MFIs). This finding aligns with the broader view that robust governance mechanisms, especially in board performance, are crucial for enhancing disclosure quality.

Kateb and Belgacem (2024) analyzed board characteristics and audit quality in Saudi Arabia, examining their impact on financial performance and IFRS disclosures. Their findings support those of Kabwe *et al.,* (2021) suggesting that female board representation and board expertise positively affect disclosure quality and financial outcomes. However, the size and experience of audit committees did not show a significant impact.

These studies collectively suggest that gender diversity on boards plays an essential role in enhancing disclosure practices, including compliance with IFRS standards like IFRS 6. While several studies (e.g., Seebeck and Vetter, 2021; Nalukenge, 2020; and Kabwe *et al.,* 2021) emphasize the positive impacts of gender diversity, such as improved corporate risk disclosures and stronger oversight, the results are not uniformly consistent. Factors like board expertise, firm size, and regional context also significantly influence the relationship between gender diversity and disclosure practices, as evidenced by studies conducted across Africa, Saudi Arabia, and the UK.

$H_0$2*:* *Board gender has no significant influence on IFRS6 exploration and evaluation accounting disclosure in African firms.*

2.5 Board Committee Gender and IFRS 6 Accounting Disclosure

Lagesen and Suboticki (2022) emphasized that board committee gender diversity refers to efforts to balance gender representation within board committees. They argued that this diversity fosters a more inclusive decision-making process by ensuring that the voices of individuals of all genders are equally valued. This inclusive environment can positively influence the quality of IFRS 6 disclosures, especially since board committees, such as audit committees, often play a central role in ensuring transparency and compliance with disclosure regulations. Similarly, Abubakar and Syamarlah (2014) suggested that board committees have the power to influence disclosure compliance in organizations. When these committees are diverse, they are better positioned to address complex issues, such as IFRS 6 compliance, through a more robust and diverse lens of experience and perspective.

On the other hand, Amanamah (2024) found that while certain corporate governance factors (e.g., board size and independence of audit committees) significantly influence IFRS compliance, board committee gender diversity does not exhibit a statistically significant relationship with IFRS disclosure. Despite a positive coefficient, the study finds no substantial link between gender diversity and improved financial reporting in Ghanaian firms. This suggests that, while board committee gender diversity may contribute to inclusive decision-making, its direct effect on IFRS disclosure may be limited or contingent upon other factors, such as firm size, profitability, or industry.

Supporting this, Hasan *et al.* (2022) found that board committee gender diversity negatively influences real earnings management (REM), suggesting that gender-diverse committees may help curb earnings manipulation. However, their study does not show a direct impact on IFRS compliance, indicating that board diversity might affect financial practices indirectly by influencing corporate behavior and transparency in specific contexts, such as earnings management, rather than broader disclosure practices.

Finally, Bufarwa *et al.* (2022) showed a positive relationship between board committee gender diversity and financial risk disclosure in the UK, linking corporate governance mechanisms like block ownership and gender diversity to enhanced transparency in risk reporting. This aligns with the view that gender diversity, especially in board committees, contributes to financial transparency, though the specific nature of its impact may vary depending on the type of disclosure (e.g., risk reporting versus IFRS compliance).

Mixed findings across these studies suggest that while board committee gender diversity can promote inclusive governance and influence certain financial reporting outcomes (e.g., reducing earnings management or enhancing risk disclosure), its direct effect on IFRS disclosure may depend on other moderating factors, such as firm size, industry, or region. This underscores the complexity of corporate governance dynamics and the need for a holistic approach to improving financial disclosure practices.

***$H_0$3**: Board committee gender has no significant impact on IFRS6 exploration and evaluation accounting disclosure in African firms*

2.6 Top Management Gender and IFRS 6 Accounting Disclosure

Nahum and Carmeli (2020) explored how gender composition in top management affects decision-making, leadership styles, and overall organizational culture. Their focus was on internal dynamics such as power relations, communication, and strategic priorities, suggesting that gender diversity within top leadership can shape a company's priorities, including financial disclosures like IFRS 6. This perspective implies that the gender makeup of executives may not directly influence IFRS 6 disclosure in a straightforward manner, but rather indirectly through organizational behavior and culture. In this view, the strategic decisions shaped by diverse leadership can affect transparency and disclosure practices.

This concept aligns with Al-Hiyari (2024), who suggested that top management gender diversity can moderate the relationship between external controversies (like ESG issues) and equity values. Al-Hiyari found that TMT gender diversity reduces the negative impact of such controversies, indicating that gender-balanced teams may create more resilient organizations during times of risk or scandal. This concept can be extended to IFRS 6 disclosure—top management gender diversity might enhance organizational resilience and transparency in financial reporting.

Tsolmon (2024) investigated the role of financial disclosures in reducing market frictions, especially concerning the gender gap in executive hiring. The study emphasizes that reliable and objective financial disclosures, such as those mandated by IFRS adoption, create a more favorable environment for female executives. Tsolmon's findings highlight how transparent disclosures allow the market to recognize high-performing female executives, reducing biases and promoting their upward mobility. The connection here is that effective implementation of IFRS 6 might also result from a more diverse top management team benefiting from greater transparency, supporting the argument that gender diversity positively influences disclosure quality.

Similarly, Wang *et al.* (2024) found that top management gender diversity positively influences IFRS 6 disclosure practices. Their work underscores the interaction between governance reforms and legislation-based reforms in promoting transparency. While the findings support the idea that gender diversity in leadership can enhance compliance with complex accounting standards like IFRS 6, they also show that structural reforms at both organizational and legislative levels are critical.

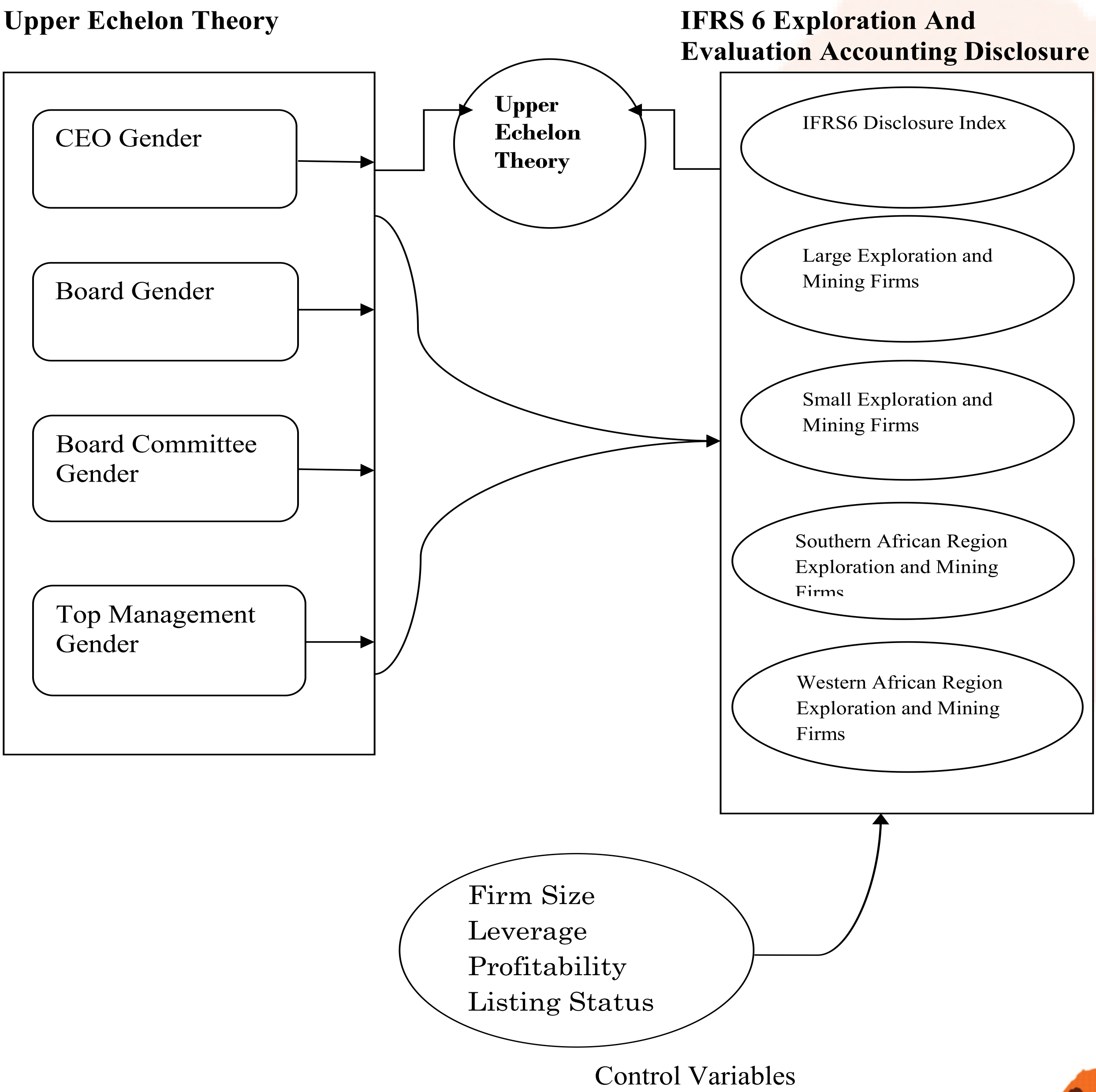
Wako *et al.* (2024) specifically addressed the role of the CFO's gender in earnings management, noting that female CFOs were associated with reduced earnings management. This finding indicates that gender diversity in key financial decision-making roles has a direct impact on financial transparency and reporting quality. Although the study focuses on earnings management rather than IFRS 6 disclosure, the principle remains consistent—female leadership in financial roles tends to promote transparency and adherence to ethical standards. This could suggest that greater gender diversity in top management may similarly promote better compliance with IFRS 6 disclosures.

While Nahum and Carmeli (2020) emphasized the internal dynamics of leadership and how these affect organizational culture and transparency, Tsolmon (2024) and Wang *et al.* (2024) demonstrated that transparent financial disclosures facilitated by gender diversity help overcome market frictions and improve governance. Al-Hiyari (2024) extended this to a risk-management context, suggesting that gender diversity mitigates the negative effects of external controversies, which can parallel improvements in financial transparency. Wako *et al.* (2024) highlighted the role of gender in financial decision-making, specifically in reducing earnings management, indicating a broader potential for gender diversity to enhance compliance with accounting standards.

However, in the reviews, only two authors, Tsolmon (2024) and Wang *et al.* (2024), found a positive influence of top management gender, while other authors, such as Al-Hiyari (2024), Wako *et al.* (2024), and Abdullah *et al.* (2023), indicated a negative significant effect on IFRS 6 exploration and evaluation accounting disclosures in African firms.

***$H_0$4**: Top management gender has no significant effect on IFRS6 exploration and evaluation accounting disclosure in African firms*

Figure 1: Conceptual Framework



Source: Researchers' Design (2024)

3 DATA AND METHODOLOGY

This study employed an *ex post facto* research design to gather and analyze data from the records and accounts of the African upstream, downstream, mining, and metals industry over a period of 11 years, from 2012 to 2022. Filtered sampling was used to reduce the selection biases typically associated with probability-based sampling, where varying event rates are observed among individuals within the population. This sampling technique is suited for this study at the study involves heterogeneous population as African exploration fims. Data from a total of 673 observations were subjected to inferential statistical techniques, such as ordinal logistic regression analysis, based on the ranking of the disclosure index at 0, 25, 50, and 75. Descriptive statistics, including mean, range, and standard deviation, were used to summarize and characterize the data. The data for this investigation were sourced from MachameRatios Data Collection to ensure statistical appropriateness and reliability.

3.1 Model Specification

To test the hypotheses, a multiple regression model was employed. The dependent variable was the IFRS 6 disclosure index. The independent variables included CEO gender (the ratio of female CEOs), board gender (the percentage of female directors), board committee gender (the percentage of female members in relevant committees), and top management gender (the percentage of female executives). The control variables were firm size (the natural logarithm of total assets), leverage (total debt divided by total assets), profitability (return on equity), listing status (a dummy variable: 1 for listed, 0 for unlisted), and industry region. The regression model for the study is represented as follows:

$DI = f(CG, BG, BCG, TMG, LE, PR, LS, FS)$ ……………………………………

Based on the above functional relationship the models were as stated below:

Model 1:

$Logit(DI) = \beta_0 + \beta_1 CG + \beta_2 BG + \beta_3 BCG + \beta_4 TMG + \beta_5 LE + \beta_6 PR + \beta_7 LS + \beta_8 FS + \epsilon$……….eq 1

Model 2: (Big Exploration and Mining Firms). Big firms are defined based on assets size using dummy variable for big firms (1 for large firms, 0 otherwise).

$Logit(DI) = \beta_0 + \beta_1 CG + \beta_2 BG + \beta_3 BCG + \beta_4 TMG + \beta_5 LE + \beta_6 PR + \beta_7 LS + \epsilon$………………eq 2

Model 3: (Small Exploration and Mining Firms)

$Logit(DI) = \beta_0 + \beta_1 CG + \beta_2 BG + \beta_3 BCG + \beta_4 TMG + \beta_5 LE + \beta_6 PR + \beta_7 LS + \epsilon$……………....eq 3

Model 4: (Southern Region Exploration and Mining Firms)

$Logit(DI) = \beta_0 + \beta_1 CG + \beta_2 BG + \beta_3 BCG + \beta_4 TMG + \beta_5 LE + \beta_6 PR + \beta_7 LS + \beta_8 FS + \epsilon$………..eq 4

Model 5: (Western Region Exploration and Mining Firms)

$Logit(DI) = \beta_0 + \beta_1 CG + \beta_2 BG + \beta_3 BCG + \beta_4 TMG + \beta_5 LE + \beta_6 PR + \beta_7 LS + \beta_8 FS + \epsilon$……….eq 5

Where:

β0 is the intercept.

β_1 to β_7 are the regression coefficients for the independent and control variables.

ε is the error term.

DI - IFRS 6 Disclosure Index

CG – CEO Gender

BG – Board Gender

BCG – Board Committee Gender

TMG – Top Management Gender

FS – Firm Size

Le - Leverage

Pr – Profitability

LS – Listing Status

ϵ - Error term.

The explanatory variables and the explained variable are predicted to have a positive connection as shown by the a-priori expectation = β_1 β_2 β_3 β_4 β_5 β_6 β_7> 0.

Table 1: Operationalization of variables

Variable	**Type**	**Source**	**Description and Measurements of Variables**	**References**
IFRS 6 disclosure index (DI)	Dependent	Audited Annual Financial Reports (Machame Ratios)	It refers to various disclosure items related to exploration and evaluation activities, such as accounting policies, financial statement presentation.	Abdulrahman & Abdal (2019), Abdo (2016)
CEO Gender (CG)	Independent	Audited Annual Financial Reports (Machame Ratios)	Measured as the ratio of female CEOs to total CEOs	Kamasak *et al.* (2020)
Board Gender (BG)	Independent	Audited Annual Financial Reports (Machame Ratios)	Measured as the absolute number of female board members out of total board members.	Amorelli *et al.* (2021)
Board Committee Gender (BCG)	Independent	Audited Annual Financial Reports (Machame Ratios)	Measured as the proportion of female and male directors on the board.to total board committee members.	Lagesen and Suboticki (2022)
Top Management Gender (TMG)	Independent	Audited Annual Financial Reports (Machame Ratios)	Measured as the proportion of female and male executives in the top management team.	Nahum and Carmeli (2020)

Firm Size (FS)	Control	Audited Annual Financial Reports (Machame Ratios)	It is measured by the total assets of the firm	Ali and Anwar (2021)
Leverage (LE)	Control	Audited Annual Financial Reports (Machame Ratios)	It is measured by the debt-to-equity ratio.	Ofulue *et al.* (2022)
Profitability (PR)	Control	Audited Annual Financial Reports (Machame Ratios)	It is measured by the return on assets (ROA).	Choiriyah *et al.* (2020)
Listing Status (LS)	Control	Audited Annual Financial Reports (Machame Ratios)	Measured as whether the firm is publicly listed or not (listed = 1, not listed = 0).	Bessler *et al.* (2023)

Source: Researchers' compilation (2024)

4. DATA ANALYSIS AND DISCUSSION OF FINDINGS

This section assesses the degree and significance of the relationship between the IFRS 6 exploration and evaluation accounting disclosure practices of African firms and the characteristics of their top management, as framed by the Upper Echelons Theory (UET). It examines how variables such as CEO gender, board gender, board committee gender, and top management gender influence the quantity, quality, and comprehensiveness of the disclosures made in the financial statements. Additionally, this section explores the impact of other determining factors, such as firm size, leverage, profitability, and listing status, on these disclosure practices. The analysis presented here provides a detailed understanding of the factors that drive or constrain firms' compliance with IFRS 6, highlighting the critical role of leadership diversity in fostering transparency and accountability in financial reporting among African firms.

4.1 Descriptive Analysis

Table 2 provides descriptive statistics for the key variables in this study. The results show that the average IFRS 6 disclosure index (DI) is 15.53, with a standard deviation of 27.92. This indicates that the sampled firms demonstrate relatively low disclosure levels, far below optimal transparency, suggesting room for improvement in corporate reporting practices. The high variability means that firms exhibit widely differing disclosure practices, ranging from minimal to full disclosure. This variability suggests that different managerial characteristics and contextual factors may influence these practices. African mining and exploration firms have an IFRS 6 disclosure index with a minimum value of 0 and a maximum of 100. This indicates that some firms provide no disclosure at all, highlighting a lack of compliance with transparency guidelines, while others fully adhere to reporting standards.

It is also found that the average value of CEO gender (CG) is 0.045, with a standard deviation of 0.207. This reflects that only 4.5% of the firms have female CEOs, revealing a significant gender gap in leadership positions and limited gender diversity in executive roles, which, according to the Upper Echelon Theory, may limit organizational transparency and the scope of disclosure. The distribution is heavily skewed toward male CEOs, as indicated by a standard deviation that shows minimal variability. The minimum value of CG is 0, while the maximum is 1, suggesting deviations from normal data distribution.

Furthermore, Table 2 shows that Board Gender (BG) for the observed firms averages 14.02, meaning that 14% of board members in the sampled firms are female, reflecting underrepresentation of women in board positions. With a standard deviation of 14.28, the moderate variability indicates some differences in gender representation across firms, with some firms having higher levels of female board members, while others have fewer. According to the Upper Echelon Theory, this could limit organizational transparency and disclosure practices. African mining and exploration firms with the lowest BG have 0, while the highest has 100.

Board Committee Gender Diversity (BCG) has an average of 11.43, with a variability of 14.78, suggesting that female participation in board committees is less common and varies widely among African mining and exploration firms, thus affecting disclosure transparency. The firm with the highest female representation in board committees has 73.33%, while some firms have no female representation at all in their committees.

Top Management Gender (TMG) for the surveyed firms averages 5.70, indicating very low female representation in top management, with only 5.7% of top managers being women. This highlights a significant gender gap at the executive level. The TMG standard deviation of 11.94 shows moderate variability, meaning some firms have much higher representation, while many have little or no female top management. These results indicate insignificant gender diversity in top management in African mining and exploration firms, which contradicts the Upper Echelon Theory and may hinder disclosure transparency. The firm with the lowest TMG has 0, while the highest has 66.67%, indicating that some firms have no women in top management, while in other cases, up to two-thirds of top management positions are occupied by women.

These findings have important implications. For policymakers, promoting gender diversity in management could enhance transparency and compliance with IFRS 6. Researchers can use these statistics to explore the factors influencing disclosure practices further. Practitioners and regulators should consider these factors when developing strategies to improve financial reporting quality. Promoting diversity and compliance could also increase the attractiveness of African firms to investors, supporting economic growth across the continent.

Table 2: Descriptive statistics for key variables

Variable	Mean	Sd	Min	Max	Obs
DI	15.52749	27.92389	0	100	673
CG	0.0445765	0.2065256	0	1	673
BG	14.02439	14.28081	0	100	673
BCG	11.42549	14.78171	0	73.33333	673
TMG	5.702475	11.93964	0	66.66666	673
FS	0.5958395	0.4910938	0	1	673
LE	3382.615	38847.58	0	847932.8	673
PR	127.3501	3260.66	-5344.021	84019.09	673
LS	0.9167905	0.2764041	0	1	673

Note: Results of mean, median, minimum, maximum, skweness and kutosis of each variable from analysis of study data are shown above table.

Source: Researchers' Computation (2024)

4.2 Correlative Statistics

The results in Table 3 show that there is a weak negative correlation between the IFRS 6 disclosure index (DI) and CEO gender (CG) (-0.0750), board gender (BG) (-0.0461), leverage (LE) (-0.0460), and profitability (PR) (-0.0295). Conversely, DI shows weak positive correlations with board committee gender (BCG) (0.0712), top management gender (TGM) (0.0540), firm size (FS) (0.0541), and listing status (LS) (0.1339). CEO gender (CG) has a positive relationship with board gender (BG) (0.2295) and board committee gender (BCG) (0.1768), but a weak positive correlation with top management gender (TMG) (0.0874) and firm size (FS) (0.0605). It also shows a weak negative correlation with leverage (LE) (-0.0185), profitability (PR) (-0.0123), and listing status (LS) (-0.0131). These correlations suggest that the gender composition of firms, both in leadership and board positions, has a weak but noteworthy association with their disclosure practices and other characteristics, such as firm size and listing status. Despite some negative correlations, the relationships are generally weak, implying that while gender representation and other factors are related to disclosure and corporate attributes, none are particularly strong predictors on their own. The highest correlation observed is between listing status and disclosure, indicating that listed firms are more likely to follow IFRS 6 disclosure requirements.

Also, from Table 3, board gender (BG) has a strong positive correlation with board committee gender (BCG) (0.06188), but a moderate positive correlation with TMG (0.4011) and FS (0.4036). It also has a weak negative correlation with leverage (LE) (-0.0382), profitability (PR) (-0.0372), and listing status (LS) (-0.0196). Board committee gender (BCG) has a moderate positive correlation with TMG (0.3798) and FS (0.3029), a weak positive correlation with LS (0.1602), and weak negative relationships with LE (-0.0664) and PR (-0.0306). The analysis shows that gender diversity on boards and in board committees is moderately linked with greater diversity in top management and larger firm sizes. However, the impact of gender diversity on financial measures like leverage, profitability, and listing status is minimal, as the correlations are weak. This suggests that while gender diversity may be important for corporate governance and structure, it does not appear to have a strong direct relationship with financial performance metrics.

The implications of these correlations between gender diversity, financial metrics, and disclosure practices offer critical insights for policymakers, practitioners, regulators, and the broader African corporate environment. Policymakers should recognize that improving gender diversity may not immediately impact financial performance but could foster improved corporate governance, transparency, and stakeholder trust over time. Governments can use these insights to create gender-based diversity policies that encourage female representation in leadership roles, not just for financial outcomes but for broader governance improvements. Policymakers in African countries can introduce targeted regulations that incentivize firms to adhere to international disclosure standards, alongside broader initiatives aimed at increasing gender diversity.

Corporate managers and boards can leverage gender diversity as a governance tool rather than purely as a performance enhancer. Though gender diversity does not strongly predict financial metrics, it is associated with stronger corporate structures, including board committees and top management. This can help companies build a better reputation and attract diverse talent, which is essential for long-term growth. Regulatory bodies can use the insights from this analysis to design better frameworks that incentivize companies to increase female representation on boards and in management. These policies could include mandatory disclosures about gender diversity and a focus on developing a pipeline of female leaders.

In Africa, the results highlight the potential for using gender diversity as a pathway to build more inclusive and transparent corporate cultures. While the correlations with financial performance measures are weak, fostering diverse leadership can enhance decision-making processes and lead to better governance outcomes. African governments and corporate bodies should focus on empowering women through leadership programs and initiatives that aim to close the gender gap in executive roles. Though the impact of gender diversity on performance may not be immediate, creating more balanced leadership structures could help African firms in their efforts to become more competitive globally, particularly as diversity and governance standards become more critical for investors.

Table 3: Correlation statistics for key variables

	DI	CG	BG	BCG	TMG	FS	LE	PR	LS
DI	1.0000								
CG	-0.0750	1.0000							
BG	-0.0461	0.2295	1.0000						
BCG	0.0712	0.1768	0.6188	1.0000					
TMG	0.0450	0.0874	0.4011	0.3978	1.0000				
FS	0.0541	0.0605	0.4036	0.3029	0.2272	1.0000			
LE	-0.0460	-0.0185	-0.0382	-0.0664	-0.0411	-0.1041	1.0000		
PR	-0.0295	-0.0123	-0.0372	-0.0306	-0.0172	-0.0489	-0.0029	1.0000	
LS	0.1339	-0.0131	-0.0196	0.1602	-0.1016	0.1904	-0.1053	-0.0084	1.0000

Note: Results of a pairwise correlation coefficient test of relationships amongst variables of the study are shown in above table
Source: Researchers' Computation (2024)

4.3 Post-Estimation Tests

4.3.1 Test for Multicollinearity

Table 4 shows that the VIF values for all variables are relatively low, ranging between 1.00 and 1.29, with only BG and BCG exhibiting moderate VIF values. This indicates that all the VIF values are below 2, meaning none of the variables exhibit problematic levels of multicollinearity. The model is expected to perform well in terms of reliable coefficient estimates and statistical significance. No corrective measures, such as variable removal or transformation, are necessary based on these VIF results.

Table 4: Test for variance inflation factor (VIF)

Variable	VIF	1/VIF
CG	1.06	0.943205
BG	1.94	0.515616
BCG	1.81	0.552463
TMG	1.29	0.775099
FS	1.28	0.782798
LE	1.02	0.979812
PR	1.00	0.996606
LS	1.14	0.877487
Mean VIF	1.32	

Note: Results of a test of multicollinearity relationships amongst variables of the study are shown in above table.
Source: Researchers' Computation (2024)

4.3.2 Regression Analysis

The regression analysis examines the relationships between the IFRS 6 disclosure index (DI) and various top management characteristics, including CEO gender (CG), board gender (BG), board committee gender (BCG), and top management gender (TMG), while controlling for key firm-specific factors such as firm size (FS), leverage (LE), profitability (PR), and listing status (LS). The purpose of this analysis is to determine the extent to which these managerial attributes and firm characteristics influence the level of IFRS 6 disclosures among African firms, in line with Upper Echelon Theory (UET).

4.3.2.1 Upper Echelon and IFRS 6 Disclosures among African Exploration Firms.

This section focuses on the relationship between CEO gender (CG) and the level of IFRS 6 disclosures among African firms. The Upper Echelon Theory (UET) posits that the demographic characteristics of top executives, such as gender, can significantly influence corporate decisions, including financial reporting practices. In the context of this study, CEO gender is examined to determine whether having a male or female CEO affects the extent to which firms comply with IFRS 6 disclosure requirements.

The regression analysis results in Table 5 indicate that CEO gender (CG) has a negative, insignificant influence on the IFRS 6 disclosure index at the 5% level. This suggests that CEO gender may not have a strong direct effect on disclosure practices. Board gender (BG) has a negative, significant influence on the IFRS 6 disclosure index at the 1% level, indicating that a higher proportion of female board members is associated with a reduction in disclosure practices. Board committee gender (BCG) and top management gender (TMG) have a positive, significant influence on the IFRS 6 disclosure index at the 1% level. These findings suggest that a higher proportion of female representation in board committees leads to higher disclosure, and more women in top management roles results in improved disclosure practices. Firm size (FS) has a positive, significant effect on the disclosure index, meaning that larger firms are more likely to have a higher disclosure index. Listing status also has a positive and statistically significant effect on the disclosure index, indicating that listed firms are more likely to have a higher disclosure index. A pseudo R-squared value of 0.0432 means that approximately 4.32% of the variability in the disclosure index (DI) is explained by the independent variables included in the model.

These results suggest that while gender diversity in board leadership roles may not always positively impact disclosure (as seen with CEO and board gender), female representation in committees and top management plays a vital role in enhancing corporate transparency. For policymakers, fostering gender diversity across all levels of leadership could be a key strategy to improve governance and compliance with disclosure standards, particularly in larger and listed firms. Practitioners should focus on building diverse leadership teams, not just for governance optics but also for enhancing operational transparency. Regulatory bodies may need to develop specific frameworks that support both gender diversity and robust disclosure practices, particularly in smaller and unlisted firms.

Table 5: Upper echelon and IFRS 6 disclosures among African exploration firms.

				Number of Obs	=	673
				LR chi2(8)	=	53.35
				Prob > chi2	=	0.0000
				Pseudo R2	=	0.0432
DI	**Coef.**	**Std. Err.**	**z**	**P>|z|**	**[95% Conf. Interval]**	
CG	-.9346271	.5465243	-1.71	0.087	-2.005795	.1365409
BG	-.0293877	.0101076	-2.91	0.004	-.0491981	-.0095773
BCG	.0230869	.0080394	2.87	0.004	.00733	.0388438
TMG	.0213013	.0078455	2.72	0.007	.0059244	.0366783
FS	.4041237	.2109135	1.92	0.055	-.0092592	.8175067
LE	-6.23e-06	.0000122	-0.51	0.610	-.0000302	.0000177
PR	-.0005454	.0002947	-1.85	0.064	-.0011231	.0000323
LS	1.709919	.6267851	2.73	0.006	.4814432	2.938396
/cut1	2.82148	.6216609			1.603047	4.039913
/cut2	3.352962	.6251569			2.127677	4.578247
/cut3	3.729975	.6276171			2.499868	4.960082
/cut4	6.361804	.7138199			4.962743	7.760865

Table 5 shows the estimated coefficients, standard errors, z-values, p-values, and 95% confidence intervals for the effects of CEO gender and other control variables on the IFRS 6 disclosure index.

Source: Researchers' Computation (2024)

4.3.2.2 Upper Echelon and IFRS 6 Disclosures among Large African Exploration Firms.

The regression analysis results in Table 6 indicate that CEO gender (CG) has a statistically insignificant negative effect on the IFRS 6 disclosure index at the 5 percent level, implying that, for the sampled firms, CEO gender does not play a meaningful role in influencing IFRS 6 disclosure compliance. Board gender (BG) has a significant negative influence on the disclosure index at the 1 percent level, suggesting that a higher proportion of female board members reduces disclosure practices in large African exploration firms. In contrast, both board committee gender (BCG) and top management gender (TMG) have a positive significant effect on the disclosure index, suggesting that female participation in smaller, more focused groups (such as committees) promotes better disclosure practices, and having more women in top management positions leads to better adherence to disclosure standards in large African exploration firms.

The implications for policymakers and regulators from these findings highlight the complexity of the relationship between gender diversity, financial characteristics, and disclosure practices. While gender diversity in leadership roles (especially in committees and top management) positively influences disclosure, it is not the sole driver. Financial factors such as leverage and profitability also significantly affect transparency, often in ways that may counter expectations. For firms, promoting gender diversity, particularly in influential roles like top management and committees, could improve transparency. However, attention must also be paid to financial governance, especially in highly leveraged or highly profitable firms that may underreport. For Africa, these findings underscore the need for tailored governance strategies. Gender diversity alone may not be sufficient to improve corporate practices, and efforts must be made to ensure that women in leadership positions are empowered to influence transparency. Additionally, financial oversight, particularly for leveraged and profitable firms, remains critical to maintaining robust disclosure practices.

Table 6: Upper echelon and IFRS 6 disclosures among large African exploration firms.

				Number of Obs	=	401
				LR chi2(8)	=	55.27
				Prob > chi2	=	0.0000
				Pseudo R2	=	0.0679
DI	**Coef.**	**Std. Err.**	**z**	**P>|z|**	**[95% Conf. Interval]**	
CG	-.7881812	.5704298	-1.38	0.167	-1.906203	.3298407
BG	-.0390649	.0123703	-3.16	0.002	-.0633102	-.0148195
BCG	.0398901	.0102735	3.88	0.000	.0197543	.0600258
TMG	.0222602	.0087734	2.54	0.011	.0050647	.0394558
LE	-.0137209	.0060211	-2.28	0.023	-.025522	-.0019199
PR	-.0018319	.0007455	-2.46	0.014	-.003293	-.0003707
LS	1.755402	1.080817	1.62	0.104	-.362961	3.873765
/cut1	1.829331	1.109627			-.3454969	4.004159
/cut2	2.675083	1.11245			.494721	4.855446
/cut3	3.077653	1.114592			.893093	5.262214
/cut4	5.701727	1.195738			3.358124	8.04533

Table 6 shows the estimated coefficients, standard errors, z-values, p-values, and 95% confidence intervals for the effects of board gender and other control variables on the IFRS 6 disclosure index.

Source: Researchers' Computation (2024)

4.3.2.3 Upper Echelon and IFRS 6 Disclosures among Small African Exploration Firms.

The regression analysis results in Table 7 indicate that CEO gender (CG), board gender (BG), board committee gender (BCG), and top management gender (TMG) have a statistically insignificant negative effect on the IFRS 6 disclosure index at the 5 percent level. These analyses show that gender diversity across various levels of corporate leadership—whether in CEO positions, boards, or committees—does not significantly influence IFRS 6 disclosure practices among small African exploration firms.

For policymakers and regulators, these results emphasize the importance of regulatory frameworks and external pressures in driving transparency, rather than relying solely on gender diversity within small African exploration firms. The findings suggest that improving corporate governance structures requires outcome-oriented strategies. Gender diversity alone may not guarantee better corporate disclosures, and policies should focus on training, mentorship, and targeted professional development to ensure that board diversity leads to improved governance outcomes in small exploration firms in Africa. Additionally, in Africa, where corporate governance standards are evolving, these findings suggest that a stronger regulatory focus on public disclosures and listing requirements may be more effective in promoting transparency than relying solely on governance structures related to gender diversity.

Table 7: Upper echelon and IFRS 6 disclosures among small African exploration firms.

				Number of Obs	=	272
				LR chi2(8)	=	26.66
				Prob > chi2	=	0.0004
				Pseudo R2	=	0.0707
DI	**Coef.**	**Std. Err.**	**z**	**P>|z|**	**[95% Conf. Interval]**	
CG	-17.72534	804.0975	-0.02	0.982	-1593.727	1558.277
BG	-.0044892	.020148	-0.22	0.824	-.0439786	.0350002
BCG	-.0261755	.02128	-1.23	0.219	-.0678836	.0155325
TMG	-.0684836	.0650573	-1.05	0.292	-.1959937	.0590264
LE	-8.41e-06	.0000137	-0.61	0.539	-.0000352	.0000184
PR	-.0010369	.0005765	-1.80	0.072	-.0021669	.0000931
LS	1.563579	.7789278	2.01	0.045	.0369088	3.09025
/cut1	2.526384	.7725296			1.012254	4.040514
/cut2	2.602304	.7736062			1.086064	4.040514
/cut3	2.974243	.7793802			1.446686	4.5018
/cut4	5.778822	.9622126			3.89292	7.664724

Table 7 shows the estimated coefficients, standard errors, z-values, p-values, and 95% confidence intervals for the effects of board committee gender and other control variables on the IFRS 6 disclosure index.

Source: Researchers' Computation (2024)

4.3.2.4 Upper Echelon and IFRS 6 Disclosures among Southern African Exploration Firms.

The regression analysis results in Table 8 indicate that CEO gender (CG) and board gender (BG) have significant negative effects on the disclosure index among Southern African exploration firms. This suggests that gender diversity at the CEO and board levels may negatively influence disclosure practices among African exploration firms located across the Southern region. In contrast, board committee gender (BCG) and top management gender (TMG) have positive but insignificant effects on the disclosure index among Southern African exploration firms. These results indicate that gender diversity in board committees and top management may not have a meaningful influence on corporate disclosure practices. While gender diversity in various leadership roles shows some influence on disclosure practices, the relationships are often weak or insignificant. This suggests that gender representation alone may not be a strong driver of transparency. Policies encouraging gender diversity should be complemented by efforts to empower women in leadership roles to have a meaningful impact on corporate governance in exploration firms across the Southern region of Africa.

Table 8: Upper echelon and IFRS 6 disclosures among southern African exploration firms.

				Number of Obs	=	433
				LR chi2(8)	=	54.87
				Prob > chi2	=	0.0000
				Pseudo R2	=	0.0604
DI	**Coef.**	**Std. Err.**	**z**	**P>|z|**	**[95% Conf. Interval]**	
CG	-1.070806	.5461514	-1.96	0.050	-2.141243	-.0003685
BG	-.0193796	.0111729	-1.73	0.083	-.0412782	.0025189
BCG	.0048584	.0094234	0.52	0.606	-.0136112	.023328
TMG	.0120169	.0083032	1.45	0.148	-.004257	.0282908
FS	1.214416	.2659813	4.57	0.000	.6931026	1.73573
LE	-.0026599	.0028319	-0.94	0.348	-.0082103	.0028905
PR	-.000554	.0002967	-1.87	0.062	-.0011355	.0000275
LS	1.396215	.7834204	1.78	0.075	-.1392613	2.93169
/cut1	2.440642	.7923835			.8875987	3.993685
/cut2	3.167165	.7975671			1.603963	4.730368
/cut3	3.419887	.7991118			1.853657	4.986118
/cut4	5.938478	.8680607			4.237111	7.639846

Table 8 shows the estimated coefficients, standard errors, z-values, p-values, and 95% confidence intervals for the effects of Top Management Gender and other control variables on the IFRS 6 disclosure index.

Source: Researchers' Computation (2024)

4.3.2.4 Upper Echelon and IFRS 6 Disclosures among Western African Exploration Firms.

The regression analysis results in Table 9 indicate that CEO gender (CG) and top management gender (TMG) have a negative, insignificant effect on the IFRS 6 disclosure index at the 5 percent level. This suggests that CEO and top management gender do not meaningfully influence disclosure practices among exploration firms across the Western region of Africa. Board gender (BG) has a significant negative influence on the disclosure index (DI). This implies that more gender-diverse boards may lead to lower disclosure compliance or transparency, which contrasts with common expectations about the positive impact of gender diversity on corporate governance in Western African exploration firms. Board committee gender has a positive, insignificant influence on the disclosure index. This indicates that gender diversity in board committees does not appear to have a reliable impact on disclosure practices. Although gender diversity in board committees could theoretically contribute to better governance, this result shows no substantial evidence of a direct impact on disclosure practices in exploration firms across West Africa. This suggests the need for more targeted research on how specific governance structures, such as committees, influence transparency.

These results indicate that traditional assumptions about the positive impact of gender diversity on disclosure practices may not apply in all contexts. Gender diversity, especially in leadership roles, does not necessarily guarantee better disclosure, and financial characteristics like leverage and profitability may not be as predictive of transparency as expected. For corporate governance practitioners, focusing solely on gender diversity or firm size may not be enough to improve disclosure practices. A broader approach, including governance reforms and targeted regulatory interventions, might be necessary.

Table 9: Upper echelon and IFRS 6 disclosures among western African exploration firms.

				Number of Obs	=	184
				LR chi2(8)	=	18.94
				Prob > chi2	=	0.0152
				Pseudo R2	=	0.1139
DI	**Coef.**	**Std. Err.**	**z**	**P>|z|**	**[95% Conf. Interval]**	
CG	-13.04635	7626.599	-0.00	0.999	-14960.91	14934.81
BG	-.1209245	.0470525	-2.57	0.010	-.2131458	-.0287032
BCG	.0287469	.0288056	1.00	0.318	-.027711	.0852048
TMG	-1.078316	145.8285	-0.01	0.994	-286.8969	284.7403
FS	-.4199388	.5240391	-0.80	0.423	-1.447037	.6071589
LE	-3.78e-06	.0000149	-0.25	0.819	-.000033	.0000255
PR	.0004541	.0019824	0.92	0.355	-.0034313	.0043395
LS	1.237669	1.339054			-1.386829	3.862167
/cut1	2.288419	1.305991			-.2712771	4.848114
/cut2	2.346863	1.307123			-.2150505	4.908777
/cut3	3.048973	1.326176			.4497156	5.648229

Table 9 shows the estimated coefficients, standard errors, z-values, p-values, and 95% confidence intervals for the effects of Top Management Gender and other control variables on the IFRS 6 disclosure index.

Source: Researchers' Computation (2024)

4.5 Discussion of Findings

The findings of this study are closely related to the Upper Echelons Theory (UET). The framework of UET posits that organizational outcomes reflect the characteristics of top management teams. UET emphasizes that the personal attributes, experiences, and values of senior executives (e.g., gender, age, tenure, and education) significantly influence decision-making processes and corporate outcomes (Hambrick, 2018; Chung & Low, 2022; Hoskisson *et al.,* 2017). Findings from various analyses support UET to some extent, highlighting that gender diversity in key roles, such as board committees and top management, can enhance disclosure practices. However, the negative impact of gender diversity at the broader CEO and board levels suggests that power dynamics, industry norms, and cultural factors may mediate the influence of gender on corporate governance and transparency.

The study's finding of a negative, insignificant effect of CEO gender on the IFRS 6 disclosure index aligns with studies such as those by Kamasak *et al.* (2020) and Chen *et al.* (2022), which also suggest that while CEO gender may influence corporate practices, it does not significantly affect disclosure compliance in every context. Female CEOs are often associated with more risk-averse strategies and greater transparency (Ferguson *et al.,* 2021), but this does not consistently translate into better compliance with specific disclosure requirements like IFRS 6. In contrast, the negative significant effect of board gender diversity on disclosure practices contradicts the common expectation that gender-diverse boards improve corporate governance and transparency (Brahma *et al.,* 2021; Amorelli *et al.,* 2021). This may reflect specific industry dynamics, such as those in African exploration firms, where board members may face unique challenges or have limited influence over disclosure decisions. It highlights the context-dependent nature of gender diversity's impact on governance.

While the study found CEO gender to have an insignificant effect on the IFRS 6 disclosure index, its broader significance warrants attention for a comprehensive analysis. Female CEOs are often linked to risk-averse decision-making and greater emphasis on transparency and ethical practices, as highlighted by Ferguson et al. (2021). These traits can contribute to a culture of accountability and compliance within organizations, potentially influencing other governance mechanisms. However, the lack of a significant impact in this context suggests that factors such as industry-specific dynamics, regulatory environments, or firm structures may dilute the direct influence of CEO gender on disclosure practices. Moreover, the symbolic value of gender diversity in leadership roles, including the CEO position, remains crucial. It signals a commitment to inclusivity and may inspire broader organizational shifts that indirectly enhance compliance and governance. While CEO gender alone may not dictate disclosure practices, it forms an integral part of a multi-dimensional approach to fostering transparency and adherence to regulatory standards.

The positive significant effect of both board committee gender and top management gender on IFRS 6 disclosure aligns with the argument that gender diversity in focused leadership roles, such as committees and top management, enhances decision-making and promotes greater transparency (Lagesen & Suboticki, 2022; Hasan *et al.,* 2022). These positions often involve direct governance responsibilities, such as overseeing financial disclosures, which might explain the positive relationship. Additionally, the positive relationship between firm size and listing status on IFRS 6 disclosure reflects broader corporate governance norms. Larger firms and listed companies face greater scrutiny from regulators and stakeholders, making them more likely to adhere to strict disclosure standards (Ferguson *et al.,* 2021; *Wang et al.,* 2023). This supports the argument that external factors, such as firm size and regulatory pressures, often have a more significant impact on disclosure practices than internal factors like gender diversity.

The results for exploration firms in Southern and Western Africa show negative impacts of CEO and board gender on disclosure in Southern Africa, while board committee and top management gender have insignificant positive effects. These findings suggest regional or cultural differences in how gender diversity influences corporate governance. In Western Africa, board gender diversity has a significant negative effect on disclosure compliance, which contrasts with the theoretical expectations of improved governance through gender diversity. This regional variation indicates that the influence of gender diversity on IFRS 6 disclosure may be shaped by specific industry or cultural factors that require further research.

The role of gender diversity in leadership, particularly in board and top management positions, has been shown to positively impact corporate governance in several contexts, particularly in enhancing transparency and financial reporting quality (Wang *et al.,* 2023; Seebeck & Vetter, 2021). However, the mixed results in this analysis align with studies like those of Wachira (2019) and Jallad (2020), which also noted that the relationship between gender diversity and IFRS disclosure can be complex and context-dependent.

5. Conclusion and Recommendations

The study explored the interconnectivity of Upper Echelon Theory with IFRS 6 exploration and evaluation accounting disclosures in African firms. An ex post facto design and inferential statistical techniques, such as ordinal logistic regression analysis, were employed to collect data from the annual financial reports of African mining and exploration firms. The findings indicated that CEO gender had an insignificant effect on disclosure practices, suggesting that the gender of the CEO does not significantly impact the firm's compliance with IFRS 6. However, board gender showed a significant negative effect, indicating that higher female representation on boards tends to reduce disclosure practices, contrary to expectations. On the other hand, both board committee gender and top management gender had positive significant effects, suggesting that increased female participation in these groups promotes better disclosure practices. Firm size and listing status also positively influenced the disclosure index, indicating that larger and listed firms are more likely to adhere to IFRS 6 requirements.

These results highlight the complexity of the relationship between gender diversity and disclosure practices, with gender diversity at the board level potentially having a different impact compared to gender diversity in more focused groups, such as committees, or at the top management level. The study concludes that the interplay between Upper Echelon Theory and IFRS 6 disclosures in African mining and exploration firms reveals nuanced relationships between gender diversity and disclosure practices.

Summarily, promoting gender diversity in board committees and top management can significantly enhance compliance with IFRS 6 disclosure practices, emphasizing the need for targeted initiatives to improve financial transparency. However, the negative relationship between board-level gender diversity and disclosure practices suggests a need to reassess implementation strategies at this level, addressing potential cultural or structural barriers. Larger and publicly listed firms exhibit stronger adherence to IFRS 6 requirements, highlighting the value of adopting best practices from these firms to support compliance in smaller and private entities. Policymakers and firms should tailor gender diversity policies to organizational contexts, leveraging their unique dynamics to maximize impact. Additionally, investment in training and awareness programs, particularly in the African mining and exploration sector, can strengthen understanding of the role of gender diversity in fostering transparency and aligning with regulatory frameworks.

The study recommends that policymakers and corporate governance advocates focus on implementing reforms that extend beyond gender diversity to include leadership competencies, professional training, and a robust regulatory framework. African firms should invest in training programs for accountants, auditors, and financial analysts to develop expertise in IFRS 6 reporting. This could help mitigate the impact of gender diversity issues and promote consistent disclosure practices. African firms should prioritize promoting women into key decision-making positions, such as board committees and top management. This can enhance transparency and compliance with IFRS 6. Firms should focus on fostering inclusive environments where diverse boards can thrive and positively influence financial reporting. Regional governance strategies should be tailored to address specific cultural, economic, and organizational norms that shape the role of gender diversity in disclosure.

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