International Journal of Multidisciplinary Research and Development
Online ISSN: 2349-4182, Print ISSN: 2349-5979; Impact Factor: RJIF 5.72
Received: 02-10-2019; Accepted: 04-11-2019
www.allsubjectjournal.com
Volume 6; Issue 12; December 2019; Page No. 07-13

The effect of corporate governance on voluntary disclosures of information: Evidence from Ghana stock exchange

Shaibu Ali[1], Kong YuSheng[2], Albert Henry Ntarmah[3], Jean Baptiste Bernard Pea-Assounga[4], Ivan-Sarfo Ernest[5], Paul Nkrumah[6]
[1, 3-4] Ph.D. Candidates, School of Finance and Economics, Jiangsu University, Xuefu Road, Zhenjiang, Jiangsu, China
[2] Professor, School of Finance and Economics, Jiangsu University, Xuefu Road, Zhenjiang, Jiangsu, China
[5-6] MBA Student, University of Education, Winneba, Ghana

Abstract
Today as a result of voluntary information disclosure, Ghanaian companies voluntarily provides vital information to its stakeholders and in accordance of corporate governance code of Security and Exchange commission of Ghana 2010.This study investigated the effect of Corporate Governance on information disclosures of listed companies in Ghana Stock Exchange. The sample comprised 10 banks in Ghana for the period 2007-2016. We employed econometric frameworks of random effect and conditional fixed effect panel logistic regression models to investigate the topic. Based on the Hausman test, conditional fixed effect panel logistic regression was chosen as the most appropriate for this study. Our empirical results revealed that banking experiences have significant positive impact on voluntary disclosure. Similarly, board size has significant positive impact on voluntary disclosure. Based on the findings, we conclude that board size and banking experience are the two corporate governance variables influence voluntary information disclosure. However, the impact is stronger for banking experience compared to board size.
The study contributes to literature on Corporate Governance from developing country perspective. Some recommendations has been suggested and the research warrant more testing and experimental research into the future.

Keywords: corporate governance, voluntary information disclosures, Ghana stock exchange

1. Introduction

In the last two decades, corporate governance was not given much attention by most top level management teams across the world until the early 2000's where there was a tremendous collapse of companies, which created the attention of researchers and professionals to have interest in the mechanism of corporate governance and it contributions to the success of companies (Wan Zanani, Shahnaz, and Nurasyikin, 2008) [40]. As a matter of fact, the unexpected collapse of large and well established institutions such as WorldCom, Enron or Parmalat as well as issues of financial reporting at shell, Xerox has shaken the whole confidence in financial reporting and financial system across the world (Berndt and Leibfried, 2007) [5]. As a result of this corporate financial meltdown, financial reporting has now become a global topical issue. According to Berndt and Leibfried (2007) [5] in their study mentioned that, financial reporting is no longer a normal book-keeping work but the center for directing institution under moral and proper corporate governance principle.

Yearly reports on information disclosure consist of voluntary and mandatory disclosure but depending on the country's Security and Exchange Commission's code. Mandatory information disclosure are the ones that are required by the state to be published to the general public whiles voluntary information disclosure are those that are published without any force or pressure on the company by the state.

The idea of disclosing the information came from the fact that company's financial reports must serve several groups of users such as the investors, who have to make decision before investing, stakeholders such as suppliers, customers, employees etc. Berndt and Leibfried (2007) [5] are of the view that, financial reporting today is very key when it comes to corporate governance.

Corporate Governance was introduced in November 1, 2010 for the public companies by the Securities and Exchange Commission (SEC) of Ghana to help enhanced corporate disclosure, transparency and accountability. The promulgation of the first code was done in 2011 by the Securities and Exchange Commission of Ghana to boost investors' confidence and shareholders interest. The Central Bank of Ghana, Securities and Exchange Commission (SEC) and other vibrant regulatory authorities have put in place numerous policies, measures and principles to ensure best practice are being followed. They further make sure that companies on the Ghana Stock Exchange complies with the codes of ethics of Coperate Governance.

Surprisingly the unexpected collapse of many big firms across the globe and in Ghana has raised a lot of doubt in the minds of stakeholders and reduce confidence in the quality of information the entities disclose. The collapse of this companies was as a result of poor information disclosure by the management of this companies. Shareholders for that matter have seen the need to set up a good and strong Coperate Governance structure. The works of (Wallace, 1988; Umoren, 2010) [43, 41] has found out that, Ghanaian firms have some high level of deficiency when it comes to Accounting reporting and financial related information.

Bank of Ghana report (2017) [6] shows that, the nine (9) Ghanaian Banks that were collapsed were as a result of poor financial reporting and weak Coperate Governance structure. The report further explained that, good Coperate Governance leads to good reputation and as poor and weak Coperate Governance leads to collapse and loss. Securities and Exchange Commission report (SEC) (2018) [38] further explained that, all the companies that collapse were as a result of poor Coperate Governance practice and weak reporting of information.

As it stands today, Stakeholders have intensified their expectation with regards to the information that is being disclosed but yet what these firms discloses does not meet the needs of this stakeholders because of information asymmetry between the managers, owners and other stakeholders. Most heads of institutions uses the information at their disposal to champion their selfish gains to the disadvantage of the owners. These heads most of the time widen the gap between what the stakeholders expect and what they actually disclosed. And that is the disclose gap.

Having being enthused by the introduction of Coperate Governance code by the Securities and Exchange Commission of Ghana, firms are likely to improve their information disclosure and enhanced their financial reporting to give credibility to the yearly reports they channel out. In view of this, the objective of the study is to investigate the effect of Corporate Governance on Voluntary Disclosures of Information of some Ghanaian companies on the Ghana Stock Exchange.

1.1 Research Hypothesis

Security and Exchange Commission code on Corporate Governance for public companies in Ghana (2017) [37] shows that weak corporate governance structure and poor reporting was one of the main issues that led to the collapsed and all known cases of financial institutions that are in financial distress.

The works of Ghofar and Sarasvati (2009) [16] explains that, the introduction of good Corporate Governance has the likelihood to minimize information asymmetry and check the opportunistic behavior of companies which result to the need for more voluntary disclosure. Other study by Ho and Wong (2001) [17] suggested that Corporate Governance on information disclosure may be complementary or it may be substantive, for that matter; hypothesis that guide the study is formulated;

There is no significant impact of Corporate Governance on voluntary information disclosures of listed firms in Ghana Stock Exchange.

A lot of works has been conducted to find out the relationship between information presented by the company and Board size. The outcome of those studies has shown mix result. The likes of Jensen (1993) [18] is of the view that, the larger the board size, monitoring becomes less effective, for that matter easy for the CEO to take control. Ahmed, Hossain and Adams (2006) [2] found out that large number of board members minimizes voluntary information disclosure content. Other works of Samaha *et al*. (2015) [35] has proven that there is a significant positive effect between audit committee, board composition and board size and voluntary disclosure. Whiles CEO duality has negative impact on voluntary disclosure.

Corporate Governance is one of the main internal controls for monitoring the financial reporting processes (Wan Zanani, *et al*, 2008) [44]. Ramadhan (2014) [31] found out that Corporate Governance variables have inverse relationship with voluntary disclosure. Umoren (2010) [41] also revealed that regulatory bodies in the developing countries are very weak and are not putting out their best to ensure that adequate information are channel out and financial and accounting standards are followed. Researchers like (Umoren, 2010; Wallace, 1988) [43, 41] have reported that most companies from Ghana do not follow the financial reporting standards, for that matter they have deficiency in their reporting.

2. Literature Review

Ghana has recently pursued corporate governance reforms, with the aim of improving corporate governance practices and protecting shareholder interests (Nancy, 2015) [26]. Corporate Governance is a generic area which comprises of different fields such as politics, management, law, finance and economics (Rwegasira, 2000; Solomon, 2010) [33, 39]. Sharma (2013) [36] is of the view that one cannot rely on one theory when discussing the topic of corporate governance.

Zattoni *et al*. (2013) [46] in their Meta-Analyses mentioned that a lot of studies have adopted agency –based theory but found mixed results between corporate governance, performance and voluntary disclosure. They again suggested that corporate governance must shun away from agency theory and consider other theories, nevertheless, other previous studies have worked with agency theory and have come out with different empirical findings (Chalevas, 2011; Zattoni *et al*., 2013) [9, 46].

Similar works by Ntim *et al*. (2012) [28] and Ntim and Soobaroyen, (2013) [27] have used multiple theories to examine the relationship between corporate governance, voluntary disclosure and firm's financial performance, but for the fact that most previous literature considered agency theory for the same variables, the study too considered agency theory as their primary theory. Considering the complex nature of the variables, other theories such as stakeholder, stewardship and resource dependence theories were employed.

2.1 Disclosure of Corporate Governance Codes and its Compliance

Today, the compliance level of the coperate governance code varies from one country to another and from one company to another depending on the governance practices. In the last decade, there has been a tremendous increase in the introduction and practice of coperate governance codes by both the developing countries (like Ghana, Egypt, China etc.) and the developed countries (like Canada, France, Australia and Japan).These codes are introduced to enhance the coperate governance standards of firms listed on the stock exchange. And fortunately most of the literature has focused more on examining the factors that influences voluntary information disclosure (Barako *et al*., 2006; Allegrini and Greco, 2013) [4, 3].

2.2 Compliance Level in Developed Countries

Developed countries in recent past has shown high level of compliance with regards to coperate governance code. Conyon (1994) [11] found out in his survey that from the year 1988-1993, most companies complies with the coperate governance code, he again established that fact in the 1992 Cadbury report. The report explained how companies on the UK stock exchange improves in the practices of coperate governance code. This has resulted in many of the firms to

separate the role of the CEO and the company's chairperson's after the implementation of the code. Comparing before and after the implementation of the codes. 57% before the implementation and 77% after the implementation.
Another study by Conyon and Mallin (1997) [12] they revealed that a lot of companies after the implementation of coperate governance code has increase the number of non-executive members on the boards and committees, similarly to Pass (2006) [30] report where it was reported that 35% of UK firms are complying fully with the coperate governance code. This study was carried out on only few firms with the total number of 50 large firms (Eisenberg *et al*. 1998) [14].

2.3 Compliance Level in Developing Countries
According to Solomon (2010) [39] coperate governance compliance in developing countries tend to be low compared to the developed countries. Both at the country's and firm's level. In an empirical study of (MacNeil and Li, 2006; Samaha *et al*., 2012) [23, 34] on developing countries, they explained that the level of compliance is being determine by the government of the day. Other previous studies suggested weak compliance of the coperate governance codes in developing countries. Considering an example of 160 Cypriot listed companies in Cyprus, Krambia-Kapardis and Psaros (2006) [20] reported that only few firms complies with the coperate governance codes. And this report was released in the Cyprus coperate governance codes of 2002. Renders *et al*. (2010) [32] explains that coperate governance was very poor in Cyprus and suggested that a lot of reforms can take place when they take the coperate governance code practices serious. Taking into account Africa, precisely Ghana, Tsamenyi *et al*. (2007) [40] design an index to measure the level of compliance among the 42 listed companies in Ghana. From the period 2001 -2002. Ghana's disclosure and transparency score was far below average and there is the need to improve it. The study uses 53 disclosure index of governance provision.

2.4 Underlying Theory
Many theories today has been linked with voluntary information disclosure and why the need to provide every bit of information to the owners, stakeholders of the company. Stakeholder theory institutional theory, proprietary theory, political economy theory etc. are all in agreement that firms should revealed information to the users of accounting information, such as the suppliers, customers, employees, investors and so on. Jensen and Meckling (1976) [19] explains that agency theory create a better framework that links information disclosure and coperate governance. They further explain that information asymmetry can push both the directors and the managers to persue their own interest rather than the interest of the principal or the shareholder (Ahmadu, Aminu and Tukur, 2005) [1]. Based on the above assertion, the agency theory will be employed for this research work and serve as the fundamental theory for linking the two main variables thus information disclosure and coperate Governance.

3. Research Methodology and Design
The study employs cross sectional design and content analysis to determine the effect of corporate governance on voluntary information disclosures of companies listed on the Ghana Stock Exchange. Data of this study was extracted from company's annual reports and account of quoted companies in Ghana. This data was used for the construction of disclosure check list to derive at a disclosure index score. The statistical data was analyzed using SPSS 13.0 and STATA 12.0 version respectively.

3.1 Sample Selection and Data Collection
The study used all the firms listed on the Ghana stock exchange as at the year 2016.The sample size selected was 10 companies and this was based on the availability of data at the time of study. Random sampling was used and lottery methods was considered in selecting 10 companies from the total population of 42 companies listed on the stock exchange of Ghana as at 31st December, 2016. For the purpose of this study, Audited reports of sampled firms were used for the data collection.

3.2 Variable Description

Table 1: Description variables

Variable	Definition
	Dependent Variable
VD	Disclosure = The percentage of ten (10) voluntary disclosure index identified by the researcher. VD is a binary variable.
	Independent Variables
BSZ	Board size - number of members on the board i at the end of fiscal year t
ACZ	Audit committee size - number of members on the audit committee i at the end of fiscal year t.
BGD	Board gender diversity - percentage of female on the board of the bank i at the end of fiscal year t.
BID	Independent board - percentage of non-executive board members to total board of bank i at the end of fiscal year t.
BE	Banking Experience - percentage of board members with industrial experience of bank i at the end of fiscal year t.

3.4 Disclosure checklist and scoring criteria
The checklist of this study was developed from previous studies of (Zhou and Panbuyueng, 2008; Khodadadi, 2010; Meek *et al* 1995; Umoren and Okougbo, 2011; Lim *et al* 2007; Wang and Zezhen, 2011; Clemente and Labet, 2009) [47] [21] [25] [42] [22] [45] [13]. The checklist of this study is made up of 10 information items.it considered information disclosure in area of financial and non-financial information. Annual reports of companies were careful studied and the scoring was done based on the checklist developed by the researcher. The study considered unweighted index to avoid any form of bias in the process. Items are scored one (1) if disclosed in the company's annual report and zero (0) if otherwise. Based on the above assumptions, the researcher considered all items to be equally important since different users pay different attention to different information.

3.5 Econometric modelling
Since the dependent variable, voluntary disclosure is a binary variable (see eqn. 1), we used binary logistic model in estimating the results.

$$Y = \begin{cases} 1, & disclosed \\ 0, & undisclosed \end{cases} \tag{1}$$

Where Y is voluntary disclosure. In order to appropriately estimate the result, we consider three binary regression models – the general binary regression model, Random Effects (RE) and Fixed Effects (FE) panel logistic regression models. The general binary logistics regression is given as:

$$P(Y=1/x_1.........x_k)=\frac{\exp(\alpha_0+\beta_1x_1+.........\beta_nx_n}{1+\exp(\alpha_0+\beta_1x_1+.........\beta_nx_n} \quad (2)$$

$$p=\frac{1}{1+e^{-z}}$$

Where p represent the probability of disclosure, x represent explanatory variables. $\alpha \, and \, \beta$ Are parameters to be estimated? z captures all unobservable continuous number. Therefore, logit (x) can be rewritten as:

$$Logit(x)=\log\left(\frac{x}{1-x}\right) \quad (3)$$

Where logit

$$P(Y=1/x_1.........x_k)=\alpha_0+\beta_1x_1+.........\beta_nx_n$$

Since, the data is in panel form, it is appropriate to consider logistics panel regression models. Therefore, we model RE and FE which are the common logistics panel regression models. The RE model is represented as:

$$P(y_{it}\neq 0/x_{it})=P(x_{it}\beta'+v_i) \quad (4)$$
$$i=1,2,3.....,n \qquad t=1,2,3,....,T$$

Where n represent the number banks and T represent the time period, v_i are i.i.d, $N(0,\sigma_v^2)$, and

$P(x)=\{1+\exp(-z)\}^{-1}$. The underlying variance components underlying RE model can be written as

$y_{it}\neq 0 \Leftrightarrow x_{it}\beta'+v_i+\varepsilon_{it}>0$. ε_{it} Are the i.i.d logistic distributed with mean 0 and variance $\sigma_\varepsilon^2=\pi^2/3$ which is independently of *VI.*

The FE model is given as

$$P(Y_{it}=1/X_{it})=F(\alpha_i+x_{it}\beta') \quad (5)$$

$$F(z)=\frac{\exp(z)}{1+\exp(z)} \quad i=1,2,3.....,n \qquad t=1,2,3,....,T$$

However, estimating the FE model, which has a constant term α_i through the maximum likelihood approach, will yield inconsistent results. Therefore, we corrected this by estimating conditional probability $(y_{i1},....,y_iT_i)$ on $\sum_{t=1}^{T_i} y_{it}$. Thus, this method of estimating the FE model removes the inconsistencies as a result of the constant term (Hamerle & Ronning, 1995).

The general model can be specified as

$$VD=\alpha_0+\beta_1BE_{it}+\beta_2ACZ_{it}+\beta_3BSZ_{it}+\beta_4BGD_{it}+\beta_5BID_{it}+u_{it} \quad (6)$$

Where VD is voluntary disclosure, BE represent banking experience, ACZ represents audit committee size, BSZ, BGD and BID represent board size, board gender diversity and board independence respectively. a_o is the constant term, B_1-B_5 are parameters to be estimated while *u* is the error term.

3.6 Diagnostics check

We performed some diagnostics to check the validity and the reliability of the results. First, we perform descriptive statistics and normality tests to establish the properties of the data. This allowed as to select appropriate model and estimation procedures. Secondly, we used Hausman test to select the model that yielded reliable and valid results. Finally, we checked the model fits.

4. Results

Descriptive Analysis

Table 2: Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
VD	100	0.5300	0.5016	0	1
BE	100	3.2200	1.1063	0	5
ACZ	100	2.5400	2.7058	0	21
BSZ	100	9.3500	2.1667	6	14
BGD	100	1.0700	0.8791	0	3
BID	100	8.4100	2.9028	0	21

This shows the central tendencies i.e the mean, standard deviation, maximum and minimum. As shown in Table 2, on the average Board size (Bsz) for the banks is 9 members with a minimum of 6 and a maximum of 14 members. This deviates from the mean with an average of 1 member to a board. On account of Board Independence (Bid) the average value of the bank's independence is 8 members against a minimum and maximum value of 0 and 21 members respectively. Averagely, 2 of the bank's board of directors are females with a minimum of 0 and a maximum of 3 female representations on the board. The ratio of male to female on the bank's board is not encouraging this may reduce the level of voluntary disclosure on the bank's board. On the average, Acz for the banks are 3 members with a minimum of 0 and a maximum of 21 with a standard deviation if just 3 member variation to the committee. Board members banking experience (Be), as measured by the number of board members who are having industrial experience as compared to the number of board members. The table showed a mean of 3 with a minimum and maximum of 0 and 5 respectively. It implies that, an average membership of the board has gained experience in banking which would help improve decision making. Voluntary disclosure (Vd) as measure by the proportions of the level of voluntary disclosure showed an average of 53% with a minimum and maximum of 0 and 1 respectively.

Normality Test

Normality test seeks to find whether the data set is normally distributed or not. Shapiro Wilk and Shapiro-Francia' tests was used to check if the data is normally distributed or not. If the eventual probability value ($p<0.05$) then it has failed the normality test, thus if it is more than ($p>0.05$) then it has passed the assumption of normality test.

Table 2: Normality Results from Shapiro-Francia and Shapiro-Wilk tests

Variable	Shapiro-Francia			Shapiro-Wilk test	
	Obs	Statistics	Prob>z	Statistics	Prob>z
VD	100	1.0000	1.0000	0.9994	1.0000
BSZ	100	0.9967	0.9908	0.9937	0.9249
ACZ	100	0.4714***	0.0000	0.4794***	0.0000
BGD	100	0.9379***	0.0003	0.9338***	0.0001
BE	100	0.9906	0.6233	0.9457***	0.0004
BID	100	0.9442***	0.0007	0.9528***	0.0013

From Table 1 above, BGD, ACZ, BE and BID does not fit the normal distribution ($p<0.05$) this means that the data has fail to pass the normality test. This indicates that the variables are not normally distributed. This is further confirmed by the plotted ordered square distance in Fig. 1. Thus, the robust option of the panel logistic regression is preferred for this study to account for the heteroscedasticity in the data.

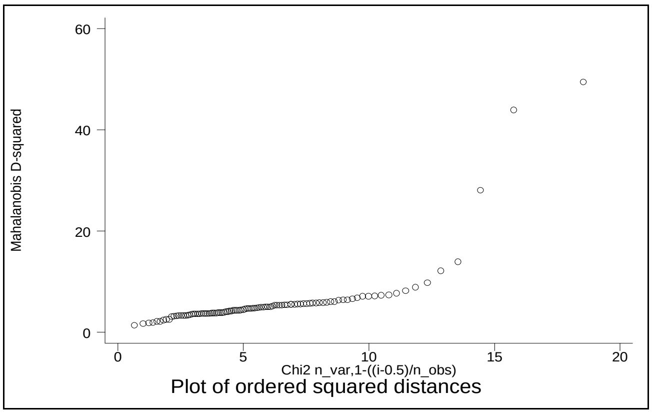

Fig 1: Plot of ordered square distances for normality test

Correlation analysis of the Study Variable

This segment presents the results and discussions of the Pearson's correlation analysis. To identify a relationship between corporate governance and voluntary disclosure variables. The correlation matrix shows the percentage at which two variables correlates.

Table 4: Correlation Results

	VD	BE	ACZ	BSZ	BGD	BID
VD	1					
BE	0.6615	1				
ACZ	0.1814	-0.0131	1			
BSZ	0.5711	0.2878	0.0295	1		
BGD	0.0754	0.1294	-0.101	0.0772	1	
BID	0.099	0.0754	0.3329	-0.0648	0.0005	1

The above correlation matrix shows the relationship between voluntary disclosure with board size, board independence, board gender diversity, audit committee size and banking experience. Board size and audit committee size shows a positive correlation with a 2.95% relationship, whereas board size and board gender diversity show a positive correlation of 7.72%. Board size is positively related to banking experience with a correlation of 28.85% and negatively correlated board independence and 6.48% respectively. Audit committee size shows a negative correlation relationship with board gender diversity 10.10%, banking experience 1.31%, and a positive correlation with board independence 33.29%. A positive correlation relationship exists between board gender diversity, board independence and banking experience.

Results and Discussion

Panel Logistics Regression results

This section present the results of the effect of corporate governance on voluntary information disclosure. Based on the Hausman test, the conditional fixed effect logistic regression was identified as the most appropriate and hence it is chosen ahead of the general and random effect logistic regression models. Therefore, the interpretation of the result is based on the FE estimates. In addition, since, the normality test revealed that the data is skewed and hence heteroscedasticity exist in the data, we implement the robust standard error option to minimize it. Both the coefficients and the odds ratios are present for each estimate. Table 5 present the logistic regression estimates.

Table 5: Logistic Regression Estimates for the effect of Corporate Governance on Voluntary Information Disclosure.

	General Logit		FE Logit		RE Logit	
	Coef.	ODDS	Coef.	ODDS	Coef.	ODDS
BE	3.0897* (1.7150)	21.9709 (37.6796)	2.5037*** (0.6845)	12.2273*** (8.3700)	3.0898* (1.8297)	21.9725* (40.2036)
ACZ	0.4954 (0.4030)	1.6412 (0.6614)	0.2123 (0.3580)	1.2365 (0.4426)	0.4954 (0.4400)	1.6412 (0.7222)
BSZ	0.9394** (0.3656)	2.5584 (0.9353)	0.8552*** (0.3038)	2.3519*** (0.7145)	0.9394** (0.3785)	2.5584** (0.9684)
BGD	-0.0565 (0.4058)	0.9451 (0.3835)	0.3006 (0.4621)	1.3507 (0.6242)	-0.0565 (0.4490)	0.9451 (0.4244)
BID	0.0687 (0.0986)	1.0711 (0.1056)	0.1268 (0.1665)	1.1352 (0.1890)	0.0687 (0.1415)	1.0711 (0.1516)
Wald chi2	10.79**	10.79**			21.86***	21.86***
LR chi2			78.77***	78.77***		
Psuedo R^2	0.6770	0.6770				
Obs.	100	100	100	100	100	100

** indicates significant at 5% significance level. RE and FE are random effect and conditional fixed effect logistic regression results. Robust standard errors are in parenthesis.

The results in Table 5 show that banking experience has significant positive on the voluntary information disclosure at 1% significance level. This implies that, other factors held constant, a 1% increase in banking experience will lead to a 2.5037% increase in voluntary disclosure by the selected banks. Said differently, additional banking experience is likely to influence the chances (2.5037) of voluntarily disclosing information. This finding contradict the findings of Ramadhan (2014) [31] that corporate governance variables has weak or no significant effect on voluntary disclosure. Indeed, some corporate governance variable like banking experience has positive effect on voluntary disclosure especially where the experiences of the board towards voluntary disclosure have been positive.
In addition, board size was also found to have significant and positive effect on voluntary disclosure. This implies that a 1% increase in board size will lead to a 0.8552% increase in voluntary disclosure by the selected banks, other factors held constant. This implies the larger the board size, the greater the chances of voluntary disclosure. This findings contradicts the findings of Ahmed, Hossain and Adams (2006) [2] who found that large board size reduces voluntary information contents. However, this study confirms the study of Samaha *et al*. (2015) [35] who identified board size have significant positive effect on voluntary disclosure. This shows that voluntary disclosure are dear to board members and other stakeholders (Fumey & Doku, 2013) [15], and as such there is the need for banks to make a conscious effort to improve voluntary disclosure. Finally, this study could not reveal any significant effect of audit committee, board gender diversity and board independence on voluntary disclosure.

Conclusion
The study examines the effect of corporate governance mechanisms on banks listed on the Ghana Stock Exchanges voluntary disclosure. The researcher used Ten Ghanaian Banks listed on the Stock Exchange with a data covering a period of ten years from 2007-2016. Based on the results of the normality test, descriptive statistics, correlation matrix and regression analysis, the researcher came out with the following conclusions:
Today's global world, corporate governance mechanisms of banks affects their voluntary disclosure, as a matter of fact; much attention should be given to this area of study. There are many existing factors that affect voluntary disclosure but corporate governance mechanisms were identified as the key determinant of voluntary disclosure. The panel dataset was used to analyze the data from 2007-2016. Five corporate governance variables were considered as independent variables.
The study used econometric frameworks of random effect and conditional fixed effect panel logistic regression models. The study concludes that, there is a positive effect of board size on voluntary disclosure in Ghana. Similarly, it can be concluded that banking experience has positive effect on voluntary disclosure in Ghana.

Recommendations
The study examined the effect of corporate governance mechanisms of firm's voluntary disclosure by taking evidence from the Banks listed on the Ghana Stock Exchange. From the findings, and conclusions, the following recommendations were made.
Firstly, we recommend banks should consider banking experience in their selection of board members so that their experiences can be helpful in dealing with issues of voluntary disclosure.
Secondly, more concentration should be placed on the board size of banks. They should be large in number to the most advantageous level with much banking experience since a large board size with banking experience is more effective, this aids in voluntary disclosure.

References

1. Ahmadu S, Aminu M, Tukur G. Corporate Governance Mechanisms and Firm Financial Performance in Nigeria. AERC Research paper, 149, African Economic Research Consortium, Nairobi, 2005.
2. Ahmed K, Hossain M, Adams M. The Effects of Board Composition and Board Size on the Informativeness of Annual Accounting Earnings. Corporate Governance: An International Review. 2006; 14(5):418-431.
3. Allegrini M, Greco G. Corporate Boards, Audit Committees and Voluntary Disclosure: Evidence from Italian Listed Companies, Journal of Management and Governance. 2013; 17(1):187-216.
4. Barako G, Hancock P, Izan Y. Factors Influencing Voluntary Corporate Disclosure by Kenyan Companies, Corporate Governance: An International Review. 2006; 14(2):107-125.
5. Berndt T, Leibfried P. Corporate governance and financial reporting: Institute for accounting, controlling and auditing, 2007, 4.
6. BOG. Bank of Ghana Annual report, 2017. https://www.bog.gov.gh/publications/annual-report
7. BOG. Bank of Ghana Annual report, 2018. https://www.bog.gov.gh/publications/annual-report
8. Cadbury Committee. Report of the Committee on the Financial Aspects of Corporate Governance: the Code of Best Practice, Gee Professional Publishing, London, UK, 1992.
9. Chalevas C. The Effect of the Mandatory Adoption of Corporate Governance Mechanisms on Executive Compensation. The International Journal of Accounting. 2011; 46(2):138-174.
10. Conyon M, He L. Executive Compensation and Corporate Governance in China, Journal of Corporate Finance. 2011; 17(4):1158-1175.
11. Conyon M. Corporate Governance Changes in UK Companies between 1988 and 1993, Corporate Governance: An International Review. 1994; 2(2):87-100.
12. Conyon M, Mallin C. A Review of Compliance with Cadbury, Journal of General Management. 1997; 22(1):24-37.
13. Clemente AG, Labat BN. Corporate Governance and Voluntary Disclosures: The Role of Independent Directors on the Board of Listed Spanish Firms. Spanish Association of Accounting and Management, 2009.
14. Eisenberg TS, Sundgren, Wells M. Larger Board Size and Decreasing Firm Value in Small Firms. Journal of Financial Economics, 1998; 48(1):35-54.
15. Fumey A, Doku I. Dividend payout ratio in Ghana: Does the pecking order theory hold gold? Journal or emerging issues in Economics, Finance and banking. 2013; 2(1):616-637.

16. Ghofar A, Sarasvati E. Financial Reporting Problems: The Analysis of Quality of Disclosure and the Measurement System of the Traditional Accounting. International Symposium on Finance and Accounting Malaysia, 2009.
17. Ho S, Wong KS. A study of The Relationship between Corporate Governance Structures and the Extent of Voluntary Disclosure. Journal of International Accounting, Auditing & Taxation. 2001; 10(2):139-156.
18. Jensen M. The Modern Industrial Revolution, Exit, and the Failure of Internal Control Systems. The Journal of Finance. 1993; 25(3):831-873.
19. Jensen M, Meckling W. Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure, Journal of Financial Economics. 1976; 3(4):305-360.
20. Krambia-Kapardis M, Psaros J. The Implementation of Corporate Governance Principles in an Emerging Economy: A Critique of the Situation in Cyprus, Corporate Governance: An International Review. 2006; 14(2):126-139.
21. Khodadadi V, Khazami S, Aflatooni A. The effects of Corporate Governance structures on the extent of Voluntary Disclosures in Iran. Business Intelligence Journal. 2010; 3(2):151-164.
22. Lim S, Matolcsy Z, Chow D. The Association between Board Composition and Different Types of Voluntary Disclosures. European Accounting Review. 2007; 16(3):55-583.
23. MacNeil I, Li X. Comply or Explain: Market Discipline and Non-Compliance with the Combined Code, Corporate Governance: An International Review. 2006; 14(5):486-496.
24. McNulty T, Zattoni A, Douglas T. Developing Corporate Governance Research through Qualitative Methods: A Review of Previous Studies, Corporate Governance: An International Review. 2013; 21(2):183-198.
25. Meek GC, Roberts B, Gray J. Factors influencing voluntary annual report disclosures by U.S., U.K. and Continental European multinational corporations. Journal of International Business Studies. 1995; 26(3):555-572.
26. Nancy N. Corporate Governance on Voluntary Disclosure: Case study from listed companies in some selected stock exchange in Africa. An MSc Thesis, 2015.
27. Ntim C, Soobaroyen T. Black Economic Empowerment Disclosures by South African Listed Corporations: The Influence of Ownership and Board Characteristics, Journal of Business Ethics. 2013; 116(1):121-138.
28. Ntim C, Opong K, Danbolt J. The Relative Value Relevance of Shareholder versus Stakeholder Corporate Governance Disclosure Policy Reform in South Africa, Corporate Governance: An International Review. 2012b; 20(1):84-105.
29. Ntim C, Opong K, Danbolt J, Thomas D. Voluntary Corporate Governance Disclosures by Post-Apartheid South African Corporations, Journal of Applied Accounting Research. 2012a; 13(2):122-144.
30. Pass CL. The Revised Combined Code and Corporate Governance: An Empirical Survey of 50 Large UK Companies. 2006; 6(12):52-63.
31. Ramadhan S. Board Composition, Audit Committees, Ownership Structure and Voluntary Disclosure: Evidence from Bahrain. Research Journal of Finance and Accounting. 2014; 5(2):124-138.
32. Renders A, Gaeremynck A, Sercu P. Corporate – Governance Ratings and Company Performance: A Cross- European Study, Corporate Governance: An International Review. 2010; 18(2):87-106.
33. Rwegasira K. Corporate Governance in Emerging Capital Markets: Whither Africa? Corporate Governance: An International Review. 2000; 8(3):258-267.
34. Samaha K, Dahawy K, Hussainey K, Stapleton P. The Extent of Corporate Governance Disclosure and its Determinants in a Developing Market: The Case of Egypt, Advances in Accounting. 2012; 28(1):168-178.
35. Samaha K, Khlif H, Hussainey K. The impact of board and audit committee characteristics on voluntary disclosure: A meta-analysis. Journal of International Accounting, Auditing and Taxation. 2015; 24:13-28.
36. Sharma N. Theoretical Framework for Corporate Disclosure Research, Asian Journal of Finance & Accounting. 2013; 5(1):183-196.
37. SEC. Corporate Governance Code for listed companies in Ghana, 2017. https://sec.gov.gh/faq/annual-reports
38. SEC. Corporate Governance Code for listed companies in Ghana, 2018. https://sec.gov.gh/faq/annual-reports
39. Solomon J. Corporate Governance and Accountability, 2nd Edition, Hoboken, NJ, Wiley, Chichester, UK, 2010.
40. Tsamenyi M, Enninful-Adu E, Onumah J. Disclosure and Corporate Governance in Developing Countries: Evidence from Ghana, Managerial Auditing Journal. 2007; 22(3):319-334.
41. Umoren AO. Accounting Disclosures and corporate Attributes in Nigeria Listed Companies. Unpublished Thesis Work. Dept. of Accounting, Convenant University, Ota, 2010.
42. Umoren AO, Okougbo P. Corporate Governance, Company Attributes and Voluntary Disclosures: A study of Nigeria Listed Companies. International Journal of Research in computer Applications and Management. 2011; 1:2.
43. Wallace RSO. Corporate Financial Reporting in Nigeria. Accounting and Business Research. 1988; 18(72):352-362.
44. Wan Zanani WA, Shahanaz I, Nurasyikan JN. The Impact of Board Size, Ownership and CEO Duality on Audit Quality: The Malaysian Evidence. Malaysian Accounting Review. 2008; 7(2):1728.
45. Wang H, Zezhen M. Analysis on Impact of Corporate Governance to voluntary Disclosures- Based on the Empirical Data of Chinese Real Estate Industry. Accounting School, Capital University of Economy and Business, Beijing, P.R. China, 2011.
46. Zattoni A, Douglas T, Judge W. Developing Corporate Governance Theory through Qualitative Research, Corporate Governance: An International Review. 2013; 21(2):119-122.
47. Zhou MM, Panbunyuen P. The Association between Board Composition and Different Types of Voluntary Disclosures: A Quantitative Study of Chinese and Swedish Listed Companies. An MSc Thesis, 2008.