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BOARD DYNAMICS AND RISK MANAGEMENT PRACTICES OF LISTED FOOD AND BEVERAGE FIRMS IN NIGERIA.

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Abstract

This study evaluated the effect of board dynamics on the risk management practices of listed food and beverage firms in Nigeria. The specific objectives were to determine the effect of board gender diversity, board financial expertise, risk committee presence, on the risk management index. Three research questions and hypotheses were formulated for the study. The study adopted an ex post facto research design and covered a population of sixteen listed food and beverage firms on the Nigerian Exchange Group as at 31 December 2025, from which twelve firms were purposively selected. Secondary data were collected from the published annual financial reports of the sampled firms covering the period 2016 to 2025. The hypotheses were tested using Panel Estimated Generalized Least Squares regression, while descriptive statistics and diagnostic tests were also conducted using EViews 10. At the 5% level of significance, the findings revealed that board gender diversity had a positive but non-significant effect on risk management practices ($\beta = 0.004234$; $p = 0.9331$); board financial expertise had a positive and significant effect ($\beta = 0.258519$; $p = 0.0000$); risk committee presence had a positive and significant effect ($\beta = 0.141817$; $p = 0.0021$); The study concluded that board dynamics play an important role in improving risk management practices, although the influence of individual board characteristics differs across governance variables. The study recommended that listed food and beverage firms should strengthen board financial expertise, establish and empower effective risk committees.

Keywords: Board dynamics, Risk management practices, board gender diversity, board financial expertise, risk committee presence.

1.0 Introduction

The increasing complexity of corporate operations, globalization of markets, and heightened regulatory expectations have made corporate governance and risk management central to the sustainability and performance of firms across the globe (Dimingu et al., 2024). The separation of ownership and control, as explained by Agency Theory, creates potential conflicts of interest between managers and shareholders, thereby necessitating strong governance mechanisms to ensure accountability and transparency. In emerging economies such as Nigeria, these challenges are further compounded by institutional weaknesses, regulatory inefficiencies, and macroeconomic instability, Listed food and beverage firms play a critical role in the Nigerian economy due to their contributions to industrialization, employment, and food supply chains.

However, these firms operate in a volatile environment characterized by inflation, exchange rate fluctuations, infrastructural deficits, and shifting consumer behavior (Dimingu et al., 2024). These uncertainties expose firms to significant operational and financial risks, thereby increasing the need for effective governance and risk management systems. Empirical evidence suggests that weak corporate governance structures have been associated with firm failures and financial distress in developing economies (Adegbite et al., 2019). Consequently, understanding how governance mechanisms, particularly board dynamics and risk management practices, influence firm outcomes has become a critical area of inquiry in both academic and policy discussions (Yuan et al., 2024).

Board dynamics, encompass the composition, structure, and functioning of the board of directors, including attributes such as board size, independence, gender diversity, expertise, and frequency of meetings (Adebayo & Olusola, 2018). These characteristics are essential in determining the effectiveness of the board in discharging its monitoring and advisory roles. According to Resource Dependence Theory, boards provide critical resources, expertise, and external linkages that enhance firm performance and strategic decision-making. A well-structured and diverse board is more likely to offer varied perspectives, improve oversight, and enhance the quality of decisions, especially in complex and uncertain business environments (Yuan et al., 2024).

In the context of Nigerian listed food and beverage firms, board dynamics are particularly important due to the high level of exposure to market and operational risks. Studies such as Ujunwa (2012) and Ogbechie and Koufopoulos (2010) have highlighted that board composition significantly influences firm performance in Nigeria. However, despite these theoretical and empirical assertions, concerns persist regarding the effectiveness of boards in Nigeria, including issues of boardroom dominance, lack of independence, inadequate expertise, and limited diversity (Adegbite et al., 2019). These limitations may

weaken the board's ability to effectively oversee risk management practices, thereby exposing firms to avoidable risks. Thus, board dynamics are not only central to governance but also serve as a foundation upon which effective risk management frameworks are built (Mensah et al., 2023).

Risk management practices, represent the processes and systems through which firms identify, assess, and mitigate risks,These practices include the adoption of enterprise risk management frameworks, internal control systems, audit committees, and compliance mechanisms(Isibor et'al., 2024). The concept of risk management is rooted in Enterprise Risk Management, which emphasizes a holistic and integrated approach to managing risks across all levels of an organization. In the food and beverage industry, firms are exposed to diverse risks, including supply chain disruptions, raw material price volatility, regulatory compliance issues, health and safety concerns, and foreign exchange risks, effective risk management practices enable firms to anticipate uncertainties, reduce potential losses, and enhance operational efficiency (Hopkin, 2018). In Nigeria, however, the level of adoption of comprehensive risk management frameworks remains relatively low, with many firms adopting reactive rather than proactive approaches to risk management (Nworji et al., 2011). This situation raises concerns about the effectiveness of existing governance structures in promoting sound risk management practices. Therefore, this study examined how board dynamics influence risk management practices and, in turn, affect the financial performance of listed food and beverage firms in Nigeria.

Despite the increasing emphasis on corporate governance reforms in Nigeria, the effectiveness of board dynamics in enhancing risk management practices among listed firms remains a major concern (Yahaya 2024). In particular, listed food and beverage firms operate in a highly volatile environment characterized by fluctuating exchange rates, inflationary pressures, supply chain disruptions, and stringent regulatory requirements. These challenges expose firms to significant operational and financial risks, thereby necessitating robust risk management frameworks. However, evidence from practice suggests that many firms in Nigeria still exhibit weak risk management structures, often characterized by inadequate internal controls, absence of functional risk committees, and poor risk disclosure practices (Devarapalli et al., 2024). This situation raises concerns about the capacity of boards to effectively discharge their oversight responsibilities in managing risk.

Theoretically, the board of directors, as emphasized by Agency Theory, is expected to mitigate managerial opportunism and ensure that appropriate risk management mechanisms are in place,however, persistent cases of corporate distress and governance failures in Nigeria suggest that board attributes such as size, independence, diversity, and expertise, meetings may not be effectively aligned with risk management objectives (Rashid & Kabir, 2025). This creates a critical problem regarding the extent to which

board dynamics actually influence the quality of risk management practices in Nigerian food and beverage firms.

Several empirical studies have attempted to address this problem by examining the relationship between board characteristics and risk management or firm outcomes, albeit with mixed findings. For instance, Adams and Ferreira (2009) found that gender-diverse boards improve monitoring effectiveness and reduce risk-related inefficiencies. Similarly, Fama and Jensen (1983) argued that independent directors enhance oversight and contribute to better control of managerial actions. In the Nigerian context, Ujunwa (2012) reported that board size and independence have significant effects on firm performance, suggesting that board structure influences strategic decision-making. Ogbechie and Koufopoulos (2010) also found that effective board composition enhances governance quality in Nigerian firms. Furthermore, studies such as Hoyt and Liebenberg (2011) established that firms with strong enterprise risk management frameworks tend to exhibit improved financial performance, while McShane et al. (2011) highlighted the positive impact of integrated risk management systems on firm value. However, other studies have reported contrary evidence. For example, Nworji et al. (2011) found that corporate governance mechanisms in Nigeria do not always translate into improved firm outcomes due to weak enforcement and institutional constraints. Similarly, Adegbite et al. (2019) noted that governance practices in Nigeria are often symbolic rather than effective, limiting their impact on risk management. These inconsistent findings suggest that the effect of board dynamics and risk management practices remains inconclusive, particularly within developing economies.

Notwithstanding the growing body of literature, several gaps remain unresolved, most existing studies have focused broadly on corporate governance and firm performance, with limited attention given to the specific link between board dynamics and risk management practices.

Many studies have concentrated on the banking or financial sector, thereby neglecting the manufacturing sector, particularly the food and beverage industry, which faces unique operational and market risks.Also, prior studies have often examined board attributes in isolation without adequately considering their combined effect on risk management practices. Additionally, the contextual peculiarities of Nigeria, including weak regulatory enforcement and institutional constraints, have not been sufficiently integrated into existing analyses. Therefore, this study filled these gaps by providing empirical evidence on the effect of board dynamics on risk management practices of listed food and beverage firms in Nigeria.

The specific objectives of this study are to:

Determine the effect of board gender diversity on risk management practices of listed food and beverage firms in Nigeria.

Examine the effect of board financial expertise on risk management practices of listed food and beverage firms in Nigeria.

Examine the effect of risk committee presence on risk management practices of listed food and beverage firms in Nigeria.

Review of Related Literature

2.1 Conceptual Review

2.1.1 Board Dynamics

Board dynamics refer to the behavioral, structural, and relational processes through which members of a board of directors interact in carrying out corporate governance responsibilities. It involves communication patterns, decision-making processes, leadership relationships, monitoring activities, strategic participation, and the overall effectiveness of directors in guiding organizational performance. Recent corporate governance literature emphasizes that board dynamics go beyond board structure alone and focus more on how directors collaborate, debate issues, manage conflicts, and influence organizational outcomes (Raddant et al., 2024).

According to Dimingu et al., (2024), board dynamics represent the interactional processes and governance mechanisms that shape organizational transformation and strategic effectiveness. They argued that effective board dynamics depend on board composition, diversity, leadership quality, and collective decision-making capability. Their study further explained that boards play a critical role in facilitating organizational change, innovation, and long-term sustainability. Similarly, Bjørnåli et al., (2024) described board dynamics as the behavioral integration and collaborative interactions among directors that influence strategic decision-making and firm success. They emphasized that trust, communication quality, participation, and knowledge sharing among directors improve board effectiveness and organizational growth.

According to Yahaya, (2024), board dynamics can be reflected through the frequency of board meetings, directors' participation, and monitoring intensity. He argued that active board interactions improve financial reporting quality, transparency, and managerial

accountability because regular meetings strengthen oversight responsibilities and reduce information asymmetry between management and shareholders.

Yuan et al., (2024) conceptualized board dynamics from the perspective of board diversity and governance quality. They noted that diversity in gender, expertise, and professional background enhances board deliberations, reduces governance failures, and improves risk management decisions. Their study demonstrated that board diversity significantly influences organizational transparency and market stability. Furthermore, Ezeani et al., (2024) explained that board reforms and governance structures affect firms' strategic financing and monitoring efficiency. They maintained that effective board dynamics improve corporate control mechanisms and managerial discipline, thereby enhancing organizational performance and governance quality. In another contemporary perspective, Devarapalli et al., (2024) viewed board dynamics as governance characteristics that influence the quality of integrated reporting and sustainability disclosures. They argued that effective boards improve transparency, accountability, and sustainability reporting practices through stronger oversight and strategic governance mechanisms. Similarly, Mensah et al., (2023) argued that sound board governance enhances corporate financial performance through effective monitoring, strategic control, and accountability mechanisms. They emphasized that board composition, independence, and expertise are important drivers of organizational efficiency and financial sustainability, especially in emerging economies such as Nigeria, Ghana, and South Africa. Recent literature also links board dynamics with ESG and sustainability reporting. Raddant et al., (2024) argued that board diversity dynamics significantly influence corporate governance quality, innovation, and ESG-related decisions. They explained that diverse and inclusive boards improve strategic thinking and long-term sustainability outcomes. For the purpose of this study, board dynamics will be measured using, board gender diversity, board financial expertise, risk committee presence, board independence, board participation.

2.1.1.1 Board Gender Diversity

Board gender diversity refers to the inclusion of women on a company's board of directors, aiming to achieve a balance between male and female representation (Abiad et al., 2025). Gender diversity on boards is a key component of broader diversity initiatives, as it ensures that the perspectives and experiences of both men and women are incorporated into corporate decision-making (Yahaya, 2025). The significance of gender diversity has garnered increasing attention in recent years due to the growing recognition of its potential benefits, such as improved governance practices, enhanced decision-making, and better organizational performance.

Research suggests that gender-diverse boards are more likely to demonstrate improved strategic thinking and greater creativity (Shafai & Abd-Mutalib, 2024), as the inclusion of different perspectives can lead to more well-rounded discussions and decision-making

processes. Female directors often bring distinct hints based on their experiences and viewpoints, particularly in areas related to social responsibility, consumer behavior, and human resource management. Furthermore, gender-diverse boards are seen as more representative of the broader society, and this can improve a company's reputation and appeal to investors, customers, and employees who prioritize diversity and inclusion.

Despite the advantages, gender diversity on boards has been slow to increase in many regions and industries, with women often underrepresented in senior leadership roles (Carter & Peters, 2016). This underrepresentation is attributed to various factors, including biases in recruitment practices, societal norms, and the lack of sufficient support structures for women in corporate leadership. Many countries and organizations have introduced policies and regulations aimed at improving gender diversity on boards, such as mandatory quotas or targets for female representation. These measures aim to break down the barriers preventing women from reaching top corporate positions and to foster a more inclusive and equitable corporate governance system.

Gender diversity on boards is also linked to improved company performance (Reguera-Alvarado et al., 2017), particularly in terms of financial outcomes, corporate social responsibility, and sustainability practices. Companies with more diverse leadership teams are more likely to adopt practices that address environmental, social, and governance (ESG) concerns, which are increasingly important to investors and consumers alike. Additionally, gender diversity can enhance the effectiveness of corporate governance by reducing groupthink and encouraging more thoughtful, balanced decision-making. As the business world continues to evolve, the inclusion of women on boards is seen as an essential step towards achieving a more inclusive, innovative, and sustainable corporate environment.

2.1.1.1 Board Financial Expertise

Board financial expertise refers to the knowledge, skills, and experience in finance and accounting possessed by members of a company's board of directors (Githaiga & Kosgei, 2023). It encompasses a director's ability to understand and interpret financial statements, assess the company's financial health, evaluate investment opportunities, and contribute to discussions about financial strategy and risk management. Directors with financial expertise play a crucial role in ensuring that the company's financial practices are sound, transparent, and aligned with the long-term objectives of the organization (Chen et al., 2020). This expertise is particularly vital in overseeing financial reporting, compliance with accounting standards, and ensuring that the company's financial strategy supports its overall business goals.

The presence of financial experts on a board enhances the board's ability to critically evaluate the financial performance of the company, as well as the risks and opportunities

presented by market conditions, capital structure, and investment strategies (Lee et al., 2024). These directors can provide valuable insights into the company's budgeting processes, financial forecasts, and risk management strategies, helping to safeguard the company's assets and optimize its use of capital. Board members with financial expertise are also essential in ensuring that the company adheres to regulations governing financial reporting, auditing, and tax compliance. Their ability to identify potential financial discrepancies or weaknesses in internal controls helps to prevent fraud and financial mismanagement, thereby protecting shareholders and other stakeholders from potential losses.

In addition to financial oversight, directors with financial expertise often contribute to the development of the company's broader strategic direction (Githaiga & Kosgei, 2023). They are able to weigh in on decisions related to mergers and acquisitions, capital raising, and investment in new projects, ensuring that these decisions are financially viable and aligned with the company's risk tolerance. Their knowledge of financial markets and economic conditions also positions them to help the company navigate through financial crises or periods of economic uncertainty. Financial expertise on the board enhances the credibility of the company in the eyes of investors, as shareholders and analysts often view the presence of skilled financial directors as a sign of strong governance and financial discipline (Minton et al., 2011). As businesses become more complex and financial markets more volatile, the importance of board financial expertise continues to grow, making it an essential component of effective corporate governance.

2.1.1.3 Risk Committee Presence

Risk Committee Presence (RCP) refers to the existence of a dedicated committee within the board structure that is responsible for overseeing an organization's risk management framework, monitoring risk exposures, evaluating risk policies, and ensuring that risks are managed in accordance with the firm's strategic objectives and risk appetite. The risk committee serves as a specialized governance mechanism designed to strengthen board oversight of enterprise-wide risks and support organizational sustainability. In contemporary corporate governance, the presence of a risk committee is increasingly regarded as an indicator of sound governance and effective risk management practices (Alodat et al., 2023).

The concept of risk committee presence emerged from the growing recognition that traditional boards and audit committees may not possess sufficient time or expertise to oversee the increasingly complex risk environments faced by modern organizations. Following major corporate failures and the global financial crisis, regulators and governance experts advocated for dedicated board-level risk committees to provide focused attention on risk-related matters. Consequently, many organizations, particularly

financial institutions, established risk committees to enhance risk governance and improve organizational resilience (OECD, 2023).

Scholars have expressed different views regarding the role and significance of risk committee presence. One perspective emphasizes the monitoring function of risk committees. According to Ellul and Yerramilli (2013), a risk committee exists primarily to strengthen board oversight of risk-taking activities and ensure that management operates within acceptable risk limits. They argue that organizations with dedicated risk committees are better positioned to identify, assess, and mitigate risks, thereby reducing the likelihood of financial distress and governance failures.

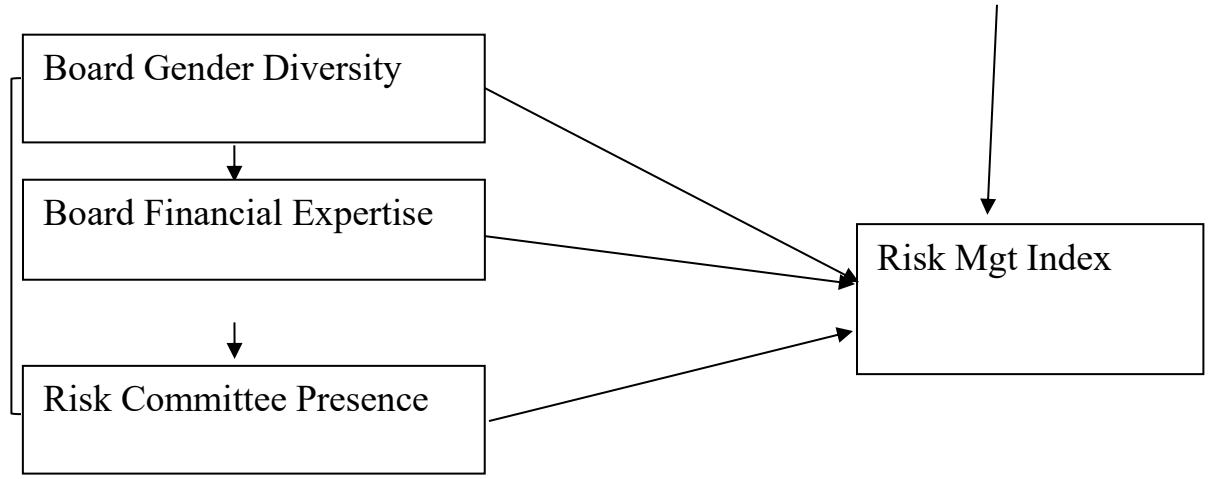
Similarly, Alodat et al. (2023) view risk committee presence as a governance mechanism that enhances risk oversight and organizational sustainability. According to these authors, risk committees facilitate systematic risk identification, monitoring, and reporting, thereby improving the quality of risk-related decision-making. They contend that organizations with dedicated risk committees often exhibit stronger internal controls and more effective enterprise risk management systems than those without such committees.

In contrast, some scholars argue that the mere presence of a risk committee does not automatically guarantee effective risk management. For example, Aebi et al., (2012) maintain that what matters is not simply the existence of a risk committee but its effectiveness, independence, expertise, and authority. They argue that risk committees may become symbolic governance structures if they lack adequately qualified members or fail to exercise meaningful oversight over management's risk-taking activities. According to this view, the effectiveness of risk governance depends more on the quality of committee operations than on its mere existence.

Another perspective is offered by Naciti et al., (2022), who emphasize the strategic role of risk committees. They argue that risk committees should not focus solely on minimizing risks but should also assist organizations in identifying strategic opportunities associated with risk-taking. From this standpoint, effective risk governance involves balancing risk mitigation with value creation, thereby enabling organizations to achieve sustainable growth while maintaining acceptable risk levels.

The importance of risk committee presence is often explained through Agency Theory. Agency theorists argue that managers may engage in excessive risk-taking or pursue personal objectives that conflict with shareholders' interests. A dedicated risk committee serves as an additional monitoring mechanism that reduces agency conflicts by overseeing management decisions and ensuring accountability in risk management processes (Jensen & Meckling, 1976). Through regular review of risk exposures and risk management policies, the committee .

Fig. 2.1 Conceptual Diagram



Source: Researcher's Concept (2026)

2.2 Theoretical Framework

This study is anchored on agency theory and supported by resource-based theory

2.2.1 Agency Theory

Agency Theory was first introduced by Jensen and Meckling in (1976) in their seminal paper *Theory of the Firm: Managerial Behavior, Agency Costs, and Ownership Structure* (Jensen & Meckling, 1979). The theory arose in response to the separation of ownership and control in modern corporations, where the owners (shareholders) and the managers (agents) often have different interests. In such a scenario, the shareholders, as the principals, delegate authority to the managers, but the managers might act in their own interests rather than in the best interests of the shareholders. Agency theory, therefore, focuses on the relationship between principals and agents and the conflicts that can arise from differing goals and information asymmetry between these parties (Vitolla et al., 2020).

The main postulations of Agency Theory are centered around the concept of agency costs, which arise when the interests of the principal (the owner or shareholder) and the agent

(the manager) diverge(Jensen & Meckling, 2019). According to the theory, agency problems emerge because managers, as agents, may pursue personal goals that are not aligned with the interests of the shareholders, leading to inefficiencies. To mitigate these conflicts, Agency Theory suggests mechanisms such as monitoring by the board of directors, performance-based incentives for managers, and aligning managerial compensation with shareholder interests. The theory also highlights the importance of information transparency and the costs involved in ensuring that managers act in the best interests of shareholders. The key idea is to minimize the agency costs that stem from these conflicts through corporate governance practices, including board composition. (Gimbason& Yahaya, 2024).

Agency Theory is particularly relevant to this study because weak governance structures, ownership concentration, political interference, and inadequate monitoring mechanisms may increase agency conflicts and organizational risks. Effective board dynamics therefore become essential for improving corporate accountability, strengthening internal controls, and enhancing enterprise risk management practices. Agency Theory is relevant to the study of board dynamics and risk management because it explains the monitoring role of the board in controlling managerial behavior, reducing agency conflicts, and ensuring effective risk oversight. The theory provides a framework for understanding how board characteristics and interactions influence organizational risk management effectiveness, accountability, and corporate governance quality.

2.4 Empirical Review

Yahaya (2025) studied board gender diversity and firm risk practices. The study employs a quantitative research design using panel data derived from annual reports of 85 publicly listed non-financial firms over ten years (2014–2023). Board gender diversity is measured using the percentage of female directors and a binary indicator for the presence of at least one female director. Risk practices are proxied by financial risk indicators (e.g., leverage, earnings volatility) and qualitative disclosures from sustainability and corporate governance reports. A Random Effects Model (REM) regression analysis is used to control for firm-specific unobserved heterogeneity, while robustness checks include the use of Fixed Effects and Generalized Method of Moments (GMM) estimations. The results reveal a statistically significant negative relationship between board gender diversity and risk-taking, suggesting that firms with more women on their boards tend to adopt more conservative financial strategies and disclose risk information more transparently. Specifically, the presence of female directors is associated with lower leverage ratios, reduced earnings volatility, and improved quality of risk-related disclosures. These findings persist across various model specifications and sub-sectoral analyses. The study is limited by its reliance on secondary data, which may not fully capture the nuances of boardroom dynamics or informal governance practices.

Additionally, the study focuses only on non-financial firms in one emerging economy, which may limit the generalizability of the findings to other sectors or jurisdictions. The findings have significant implications for corporate governance reforms and boardroom diversity policies. Regulators and institutional investors may consider promoting gender-diverse boards as a mechanism for enhancing risk governance. The study also contributes to ongoing efforts to bridge the gender gap in corporate leadership by demonstrating the functional value of female participation in strategic oversight roles.

Bunyaminuet'al (2025) studied the impact of board attributes and ownership concentration on firm market value: empirical evidence from an emerging market using data from listed firms on the Ghana Stock Exchange spanning 2008 to 2018. Employing the generalized method of moments (GMM regression technique, the study examines the impact of various governance variables on market value added (MVA). The findings reveal significant linkages between specifi governance variables and MVA. Notably, outside directors, gender diversity, frequency of board meetings, and audit committee size are found to significantly reduce firm value. Conversely, CEO duality and ownership concentration positively impact of market value. The study further observes that while leverage has a significant positive impact on MVA, the effect of firm age is negative.

Remo-Diez et al. (2025) explored how board capital (including skills, tenure, gender diversity, and affiliations) and CEO power (both formal and informal) contribute to high ESG performance in European banks. The study combined resource dependence theory with complexity theory and used fuzzy-set comparative analysis to evaluate data from European banks over the period from 2018 to 2020. The findings revealed that a powerful CEO, whether formal or informal, tended to reduce the positive effects of board capital on ESG disclosures. The research emphasized that, while CEO power can influence ESG performance, it is essential for banks to have board members with strong advisory capabilities, particularly those with informal power. The study concludes that effective governance requires a tailored approach, rather than a "one-size-fits-all" strategy, providing important hints for strategic decision-makers and regulators in the banking sector.

Musa et'al (2025). Studied sharia supervisory board, board attributes and real earnings management in islamic banks. Sharia Supervisory Board (SSB) moderates the effects of Board of Directors (BOD) characteristics on real earnings management (REM) of Islamic banks. Using unbalanced data encompassing 45 Islamic banks across 15 countries from 2012 to 2023, it documents a negatively significant influence of board size, independence, and expertise on REM. The influence of board's diligence, however, is absent. The study further notes that the SSB index moderates the effect of BOD attributes on REM in Islamic banks. The findings hold important implications for policymakers and regulators in shaping regulations on SSB and BOD oversight functions to curb REM practices.

Owusu et al. (2025) explored how manager characteristics and psychological factors influence the adoption of sustainability reporting (SR) in small and medium-sized enterprises (SMEs) in Ghana. Using a cross-sectional approach, the researchers collected data through questionnaires from SME managers in Ghana between 2014 and 2024. The analysis, based on structural equation modeling, revealed that managers with relevant educational qualifications and knowledge of sustainability accounting are more likely to adopt SR. Furthermore, the attitudes, subjective norms, and perceived behavioral control of SME managers regarding sustainability influence SR adoption. However, SMEs led by older, long-serving managers tend to avoid adopting SR, and other manager characteristics, such as gender and religious affiliation, do not appear to significantly impact SR adoption.

Dimingu and Mogaji (2024) evaluated the role of board dynamics in organizational transformation: A corporate governance perspective. The paper illuminates the pivotal role of corporate board dynamics in shaping organizational transformation within corporate governance. Delving into the intricate interplay of board structures, diverse member influences, and decision-making processes, the paper explores the nuanced landscape of how boards can either facilitate or impede transformative initiatives. It explores the composition of boards, considering the impact of diversity on strategic decision-making and the overall effectiveness of these structures in driving organizational change. By synthesizing existing literature, the paper seeks to provide an understanding of the complex dynamics within corporate boards during transformative phases. The insights derived from this conceptual exploration aim to inform governance practices and contribute to the strategic discourse surrounding organizational transformation, offering valuable perspectives for scholars, practitioners, and policymakers navigating the evolving landscape of corporate governance and strategic change

Garba and Oladele (2024) examined corporate board attributes and dividend payout policy: Evidence from Listed Conglomerate Firms in Nigeria. This study covers all the listed conglomerate firms on the Nigerian stock exchange (as at 2021) and the secondary method of Data collection is used to obtain the annual report of the firms on the stock exchange website, the study covers a 10 years' period (2011-2020). The result shows that impact of board size on firm dividend payout is negative and significant at 10%, board composition is positively and insignificantly related to firm dividend payout, board gender diversity is positively and insignificantly related to firm dividend payout, Finally, the result show that Board Meetings (BM) has insignificant and negative impact on firm dividend payout of listed conglomerate companies in Nigeria.

Ikbaret'al, (2024). The Impact of Corporate Governance Attributes on Achievement of SDGs in Indonesian Private Limited Companies: Mediating Role of Foreign Ownership. The attainment of Sustainable Development Goals (SDGs) is a global imperative necessitating heightened attention from both emerging scholars and policymakers.

Accordingly, this study delves into the examination of how corporate governance attributes, namely board size, board diversity, and board independence, influence the achievement of SDGs within private enterprises in Indonesia. Additionally, the research explores the mediating effect of foreign ownership on the relationship between board characteristics and SDGs achievement. Employing survey questionnaires, data were collected from employees of private organizations, and the structural equation modelling technique, specifically Smart Partial Least Squares (Smart-PLS), was employed to assess data reliability and the interrelations among variables. Findings indicate a positive association between board size, board diversity, board independence, and SDGs achievement. Moreover, the study reveals that foreign ownership significantly mediates the relationships between board attributes and SDGs achievement in private enterprises in Indonesia. The insights garnered from this research offer valuable guidance for policymakers in formulating regulations aimed at effectively leveraging corporate governance mechanisms to advance SDGs.

El-Deeb and Mohamed (2024) examined how board gender diversity moderates the relationship between audit committee attributes and integrated reporting quality (IRQ) among manufacturing firms in Egypt. Grounded in agency theory, the study used financial statements and corporate governance reports from 54 Egyptian firms listed on the EGX100 between 2018 and 2022. The analysis applied pooled effect modeling using STATA software. The study found that audit committee independence and meeting frequency had a significant positive impact on IRQ, while audit committee size and financial expertise showed no significant association with IRQ. Board gender diversity was found to moderate the effect of audit committee meetings on IRQ. These results underscore the importance of strengthening audit committee attributes to improve the quality of integrated reporting and increase investor trust in the Egyptian business environment.

Abbas et al., (2024) investigated the moderating role of audit quality in the relationship between board attributes and sustainability reporting quality in Nigerian manufacturing companies. Using agency and legitimacy theories, the study analyzed data from 46 manufacturing companies over a ten-year period (2013–2022). The results indicated that board independence, board diversity, and firm leverage had a significant effect on sustainability reporting quality. Audit quality was also found to moderate the relationship between board independence and sustainability reporting quality, as well as between board diversity and sustainability reporting quality. However, audit quality did not significantly affect the relationship between board expertise and sustainability reporting quality.

Ebiowei and Umobong (2024) evaluated effect of board attributes on earnings quality of commercial banks in Nigeria using data from the Nigeria stock exchange for the period 2012 to 2022. Ex-post facto and cross sectional research design was adopted on panel

data. Board independence, board size and audit committee independence were used as proxies for board attributes while earnings quality was represented by Earnings persistence, earnings smoothness, earnings predictability. Multiple Regression was used to determine the nature of relationship while Hausman test was used to determine appropriate model for the study. Granger causality test was conducted to establish the direction of the relationship. Board independence and audit Committee Independence significantly and positively impact earnings smoothness and earnings predictability, while that of board size is negative. Board size, and audit committee independence significantly and negatively affect earnings persistence while that of board independence is positive.

Ngadi et'al (2024) studied board attributes and sustainability reporting quality: Moderating Role of Audit Quality. Reports and accounts of Forty-Six adjusted populations out of Seventy-Six populations of the study were used to extract data for ten years (2013-2022). Data analysis was conducted using descriptive statistics, correlation analysis, and multiple regression, with Driskoll-Kraay panel-corrected standard errors employed for estimation. The findings reveal that board independence, board diversity, and firm leverage significantly influence the sustainability reporting quality of listed manufacturing firms in Nigeria. Furthermore, audit quality was found to significantly moderate the relationship between board independence and sustainability reporting quality and between board diversity and sustainability reporting quality. However, audit quality did not have a significant moderating effect on the relationship between board expertise and sustainability reporting quality.

Okeke et al (2023) examined effect of auditors' independence on corporate survival evidence from listed deposit money banks in Nigeria. Auditors' independence was proxy using audit tenure (AUDT), audit fees (AUDF), audit firm size (AUDFS) and audit firm rotation (AUDFRT) while corporate survival was measured using net assets per share (NAPS). The ex post facto design was adopted and the data for the study was collected from the annual reports and accounts of the 14 listed deposit money banks on Nigeria Exchange Group (NGX) as of December 31, 2022 for the period of 2015-2022. Panel Least squares model was used in the data analysis and the results of the study show a significant and positive association between audit fees (AUDF), audit firm size (AUDFS), audit firm rotation (AUDFRT) and corporate survival (NAPS) at 1-5% significant level. Audit tenure (AUDT) on the hand was found to have negative and significant effect on corporate survival at 1% significant level. The study therefore concludes that auditors' independence ensure corporate survival. The study recommends that audit firms should ensure that the tenure or time of operation of audit firms is followed strictly and audit staff members to be constantly rotated to avoid familiarity threats to gaining independence and enhancing audit quality which ensures corporate survival. Banks should choose audit firm from any of the four big firms (KPMG, Ernst and Young, Deloitte and PWC) because the 4 big audit firms are not likely to succumb to

management pressures than smaller ones, in addition, the payment of the adequate audit fee will encourage the auditor to do the assurance engagement assignment according to the high degree of standardization expected. Keywords: Audit Independence, Audit Tenure, Audit Fees, Audit Firm Size, Audit Firm Rotation and Corporate Survival.

3.0 Methodology

This study used ex-*post facto* research design. We employed *ex-post facto* research design due to its special characteristics which are the event that has already occurred hence there is no need for manipulation or alteration. The study was conducted in Nigeria focusing on listed food and beverage firms in the Nigeria Exchange Group as at 31st December, 2025. The choice of the firm is premised on the fact that food and beverage firms operate in an environment characterized by multiple risk types, making them ideal for studying risk management practices. The population of the study comprises all food and beverage firms listed on the floor of the Nigerian Exchange Group as of December, 2025. The total number of listed food and beverage firms are sixteen (16). A purposive sampling method was used to select the firms for this study. This approach was adopted because it allows the researcher to include only those firms that satisfy specific conditions that are relevant to the objectives of the research. The firms to be included must have been listed on the Nigerian Exchange Group as at the 2016 financial year and must have consistently published annual reports covering the period from 2016 to 2025. This period provided a ten-year panel data structure that ensures sufficient observations across both firms and time periods. Based on these requirements, a total of twelve (12) firms were selected from the population. The study used secondary data that covered the period of Ten years (10) from 2016-2025. Data were collected from the published financial statement of listed food and beverage firms in the Nigeria Exchange Group for the various years covered by the study. The secondary data were collected and analyzed using descriptive statistics, correlation and regression analysis. The descriptive statistics was used to evaluate the characteristics of the data: mean, maximum, minimum, and standard deviation and Panel regression analysis using fixed effects or random effects regression after Husman test result determined either to use fixed or random effect to evaluate the effect of the independent variables on the dependent variable. It revealed the degree of influence and effect the independent variables have on the dependent variable. The study adopted 5% significance level, using E-Views version 11 statistical software. This method is appropriate for handling panel data and provides more robust estimates compared to ordinary least squares.

Operationalization of Variables

Variables	Measurement	Source
Dependent Variable		
Risk Management (Risk Mgt Index)	Number of Risk Items Disclosed/Total Expected Risk Items	Agyei-Mensah (2019) Dawd &Charfeddine (2019)
Independent Variable		
Board Gender Diversity (BGD)	Ratio of female directors on total board membership	Ngu and Amran (2019), David and Okenwa (2021), Osemene Adeyele and Adinnu(2018), Nguyen (2017)
Board Financial Expertise (BFE)	Measured by the proportion of directors on the board with financial expertise to the total board size	Minton et al., (2014), Tarus and Tenai (2019)
Risk Committee Presence (RCP)	1 if a firm has a separate risk committee, 0 otherwise	Beasley et al., 2023 Kallamu & Saat 2021

Source: Researcher's Computation (2026)

3.7 Model Specification

This study adapted the model from the study of Emeka-Nwokeji and Agubata (2019) as follows ROA = (BSIZE BOIND BOGD DHOLD DCOST FSIZE)

The model was modified to suit the variables used. Hence the model for the study is anchored on the objective.

RM = *f*(BGD, BFE, RCP)……...…..1

This can be econometrically expressed as

$$\mathbf{RM_{it} = \beta_0 + \beta_1 BGD_{it} + \beta_2 BFE_{it} + \beta_3 RCP + \mu \ldots\ldots\ldots 2}$$

Equation 1 and 3 are the linear regression model used in testing the null hypotheses.

Where:
RM =Risk Management
BGD = Board Gender Diversity
BFE = Board Financial Expertise
RCP = Risk Committee Presence
β_0 = Constant
$\beta_{1,\ldots\ldots}$ $\beta_{6,}$ = are the coefficient of the regression equation
μ = Error term
i = is the cross section of firms used
t = is the year (time series)

Decision Rule
Accept Null if P-Value is greater than 5% and reject Alternate
Accept Alternate if P-Value is less than 5% and reject Null

Data presentation and Analysis

4.1 Data presentation

4.2 Descriptive Analysis of Data

Descriptive analysis was conducted to summarize the characteristics of the variables and provide an overview of their distribution before estimating the regression model.

Table 4.1 Descriptive Analysis

	RMI	BGD	BFE	RCP
Mean	0.710000	0.230058	0.460146	0.833333
Median	0.800000	0.226496	0.444444	1.000000
Maximum	0.800000	0.714286	0.909091	1.000000
Minimum	0.200000	0.000000	0.125000	0.000000
Std. Dev.	0.173641	0.141322	0.164445	0.374241
Skewness	-2.088510	0.454509	0.400208	-1.788854
Kurtosis	6.391394	3.446673	3.607152	4.200000
Jarque-Bera	144.7452	5.129143	5.046490	71.20000
Probability	0.000000	0.076952	0.080199	0.000000
Observations	120	120	120	120

Source: Researcher's Computation (2026)

As presented in Table 4.1, the Risk Management Index (RMI) had a mean value of 0.7100, indicating that, on average, the sampled listed food and beverage firms disclosed about 71% of the expected risk management practices during the study period. The maximum value of 0.8000 and minimum value of 0.2000 show that the highest level of disclosure among the firms was 80%, while the lowest was 20%, suggesting noticeable differences in the extent of risk management disclosure across firms. The standard deviation of 0.1736 indicates a relatively low level of dispersion, implying that the disclosure scores were fairly close to the average value. The skewness value of −2.0885 reveals that the distribution was negatively skewed, meaning that most firms reported relatively high levels of risk management disclosure. The kurtosis value of 6.3914, which is greater than three, indicates a leptokurtic distribution with observations concentrated around the mean and relatively heavier tails. The Jarque-Bera statistic of 144.7452 with a probability value of 0.0000 suggests that the variable did not follow a normal distribution. However, with 120 observations, the sample size satisfies the Central Limit Theorem, making the variable appropriate for further parametric analysis.

As shown in Table 4.1, board gender diversity (BGD) recorded a mean value of 0.2301, indicating that female directors constituted an average of 23.01% of total board membership among the sampled firms. The maximum value of 0.7143 shows that the highest female representation on a board was approximately 71.43%, while the minimum value of 0.0000 indicates that some firms had no female directors during certain years. The standard deviation of 0.1413 suggests a relatively low variation in female board representation across the firms. The skewness value of 0.4545 indicates a slightly positively skewed distribution, meaning that more firms had lower levels of female board representation than higher levels. The kurtosis value of 3.4467 is slightly above three, indicating a distribution that is mildly more peaked than the normal distribution. The Jarque-Bera statistic of 5.1291 with a probability value of 0.0770, which is greater than 0.05, indicates that the distribution does not significantly depart from normality. Therefore, the variable satisfies the normality assumption and is suitable for subsequent statistical analysis.

According to Table 4.1, board financial expertise (BFE) had a mean value of 0.4601, implying that about 46.01% of board members possessed financial expertise on average during the study period. The maximum value of 0.9091 indicates that some firms had boards where over 90% of directors possessed financial expertise, whereas the minimum value of 0.1250 shows that the lowest proportion was 12.5%. The standard deviation of 0.1644 reflects a moderate level of variation in financial expertise across the sampled firms. The skewness value of 0.4002 indicates a slightly positively skewed distribution, suggesting that observations were fairly balanced but with a few firms having exceptionally high financial expertise. The kurtosis value of 3.6072 suggests a distribution that is slightly more peaked than the normal distribution. The Jarque-Bera statistic of 5.0465 with a probability value of 0.0802 indicates that the variable is normally distributed since the probability exceeds 0.05, making it appropriate for regression analysis.

As presented in Table 4.1, risk committee presence (RCP) recorded a mean value of 0.8333, indicating that approximately 83.33% of the firm-year observations had a separate risk committee, while only a few did not. The maximum value of 1.0000 confirms the presence of a risk committee in some firms, whereas the minimum value of 0.0000 indicates that some firms operated without a separate risk committee. The standard deviation of 0.3742 reflects moderate variation in the existence of risk committees among the firms. The skewness value of −1.7889 shows that the distribution was negatively skewed because most firms had established risk committees. The kurtosis value of 4.2000 indicates a leptokurtic distribution, suggesting that the observations were more concentrated around the mean than in a normal distribution. The Jarque-Bera statistic of 71.2000 with a probability value of 0.0000 indicates that the variable was not normally distributed. Nevertheless, the sample size of 120 observations satisfies the Central Limit Theorem, supporting the use of parametric estimation techniques.

4.2.1 Analysis of Research Questions

Table 4.2 Correlational Analysis

Correlational Analysis: Spearman rank-order
Date: 07/20/26 Time: 04:36
Sample: 2016 2025
Included observations: 120

Correlation Probability	RMI	BGD	BFE	RCP
BGD	0.186850	1.000000		
	0.0410	-----		
BFE	0.288532	0.303823	1.000000	
	0.0014	0.0007	-----	
RCP	0.310683	0.222257	0.273280	1.000000
	0.0006	0.0147	0.0025	-----

Source: Researcher's Computation (2026)

As presented in Table 4.2, the Spearman rank-order correlation analysis was conducted to examine the direction and strength of the association between board dynamics and risk management practices of listed food and beverage firms in Nigeria. The result shows that board gender diversity (BGD) has a positive and weak significant relationship with risk management (RMI) ($r = 0.186850$, $p = 0.0410$), indicating that an increase in female representation on the board is associated with a slight improvement in risk management practices. Board financial expertise (BFE) also exhibits a positive and weak but statistically significant relationship with risk management ($r = 0.288532$, $p = 0.0014$), suggesting that firms with a higher proportion of financially knowledgeable directors tend to disclose more risk management practices. Similarly, risk committee presence (RCP) has a positive and weak significant relationship with risk management ($r = 0.310683$, $p = 0.0006$), implying that firms with separate risk committees are more likely to maintain stronger risk management practices.

4.2.2. Hausman Specification Test

Table 4.3 Hausman Specification Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	12.054585	3	0.0608

Source: Researcher's Computation (2026)

The Hausman specification test was conducted to determine whether the fixed effects model or the random effects model (see Appendix B) is the most appropriate estimator for the study. As presented in Table 4.3, the Hausman test produced a Chi-square statistic of 12.054585 with a probability value of 0.0608. Since the probability value is greater than the 5% significance level, the null hypothesis that the random effects model is appropriate cannot be rejected. Therefore, the study adopted the random effects model for the estimation of the regression equation.

4.3 Test of Hypotheses

Table 4.4Test of Hypotheses
Dependent Variable: RMI
Method: Panel EGLS (Cross-section weights)
Date: 11/02/26 Time: 04:40
Sample: 2016 2025
Periods included: 10
Cross-sections included: 12
Total panel (balanced) observations: 120
Linear estimation after one-step weighting matrix
White cross-section standard errors & covariance (d.f. corrected)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
BGD	0.004234	0.050363	0.084071	0.9331
BFE	0.258519	0.036229	7.135621	0.0000
RCP	0.141817	0.045018	3.150200	0.0021
C	0.509189	0.042851	11.88272	0.0000

Weighted Statistics

R-squared	0.338674	Mean dependent var	0.873695
Adjusted R-squared	0.303560	S.D. dependent var	0.381659
S.E. of regression	0.112497	Sum squared resid	1.430078
F-statistic	9.644819	Durbin-Watson stat	1.287422
Prob(F-statistic)	0.000000		

Source: Researcher's Computation (2026)

As presented in Table 4.9, the model validity statistics indicate that the estimated panel regression model is suitable for examining the effect of board dynamics on the risk management practices of listed food and beverage firms in Nigeria. The adjusted coefficient of determination (Adjusted R^2 = 0.303560) shows that approximately 30.36% of the variations in risk management practices are explained jointly by board gender diversity, board financial expertise, risk committee presence, board independence, board participation in meetings, and board size, while the remaining 69.64% is explained by other factors not included in the model. The probability of the F-statistic (Prob. F = 0.000000) is less than the 5% significance level, indicating that the explanatory variables jointly have a significant effect on risk management practices. This confirms that the overall regression model is statistically valid and appropriate for hypothesis testing. The

Durbin-Watson statistic of 1.287422 suggests the presence of mild positive serial correlation in the residuals, although this does not invalidate the model because the estimation was carried out using Panel EGLS with White cross-section standard errors, which provides robust estimates.

As reported in Table 4.9, the constant (intercept) has a coefficient of 0.509189 with a probability value of 0.0000. This implies that when board gender diversity, board financial expertise, risk committee presence, board independence, board participation in meetings, and board size are all held constant at zero, the predicted value of the risk management index is 0.509189. In practical terms, this suggests that listed food and beverage firms possess a baseline level of risk management disclosure even in the absence of the explanatory variables included in the model. Since the probability value is less than the 5% significance level, the constant is statistically significant, indicating that the baseline level of risk management practices is significantly different from zero.

4.3.1 Test of Hypothesis I

H_{01}: Board gender diversity does not have significant effect on risk management practices of listed food and beverage firms in Nigeria.

As presented in Table 4.9, the coefficient of board gender diversity (BGD) is 0.004234, indicating a positive marginal effect on risk management practices. This implies that a one-unit increase in board gender diversity is expected to increase the risk management index by approximately 0.004234 units, holding all other variables constant. Although the coefficient is positive, the probability value of 0.9331 is greater than the 5% significance level, indicating that the effect is not statistically significant. This means that increases in female representation on the board do not produce a statistically meaningful improvement in the risk management practices of listed food and beverage firms in Nigeria. Therefore, there is insufficient empirical evidence to conclude that board gender diversity affects risk management practices. Consequently, the study accepts the null hypothesis and concludes that board gender diversity does not have a significant effect on risk management practices of listed food and beverage firms in Nigeria.

4.3.2 Test of Hypothesis II

H_{02}: Board financial expertise does not have significant effect on risk management practices of listed food and beverage firms in Nigeria.

As shown in Table 4.9, board financial expertise (BFE) has a coefficient of 0.258519, indicating a positive marginal effect on risk management practices. This means that a one-unit increase in the proportion of directors with financial expertise is expected to increase the risk management index by approximately 0.258519 units, holding other explanatory variables constant. The relatively large positive coefficient suggests that financially knowledgeable board members contribute substantially to improved risk management practices through better financial oversight and informed decision-making. The probability value of 0.0000 is less than the 5% significance level, indicating that the effect is statistically significant. This provides strong evidence that board financial expertise improves risk management practices among the sampled firms. Therefore, the study rejects the null hypothesis to accept that board financial expertise has a positive and significant effect on risk management practices of listed food and beverage firms in Nigeria.

4.3.3 Test of Hypothesis III

H_{03}: Risk committee presence does not have significant effect on risk management practices of listed food and beverage firms in Nigeria.

As presented in Table 4.9, the coefficient of risk committee presence (RCP) is 0.141817, indicating a positive marginal effect on risk management practices. This implies that firms with a separate risk committee are expected to record an increase of approximately 0.141817 units in the risk management index compared with firms without a separate risk committee, holding other variables constant. The positive coefficient suggests that the existence of a dedicated risk committee strengthens the firm's ability to implement and disclose effective risk management practices. The probability value of 0.0021 is less than the 5% significance level, indicating that the effect is statistically significant. This shows that the presence of a separate risk committee contributes significantly to improved risk management practices. Consequently, the study rejects the null hypothesis to accept that risk committee presence has a positive and significant effect on risk management practices of listed food and beverage firms in Nigeria.

4.4 Discussion of Findings

Board Gender Diversity (Finding 1)

The study found that board gender diversity had a positive but non significant effect on the risk management practices of listed food and beverage firms in Nigeria. This suggests that although increasing the proportion of female directors may improve board discussions and encourage broader consideration of risk issues, the contribution was not strong enough to produce a statistically significant improvement in risk management practices. One possible reason is that female representation on the boards of many Nigerian food and beverage firms remains relatively low, limiting their ability to influence strategic decisions relating to risk management. It is also possible that board decisions are reached collectively, making the contribution of female directors dependent on the support of other board members rather than on gender alone.

This finding agrees with Garba and Oladele (2024), who reported that board gender diversity had a positive but insignificant effect on dividend payout policy among listed conglomerate firms in Nigeria. It is also consistent with Kajola et al. (2020), who found that board gender diversity had no significant association with earnings management in the Nigerian banking sector, and with Juwita and Honggowati (2022), who observed that board diversity did not significantly influence sustainability reporting during the pandemic. Similarly, Tanui (2022) found that gender diversity did not significantly influence sustainability disclosure in Kenya. However, the finding contradicts the studies of Alkayed et al. (2024), Handayati et al. (2025), Ngadi et al. (2024), and Githaiga and Kosgei (2023), who found that board gender diversity significantly improved sustainability reporting and governance outcomes. It also disagrees with Sani (2021), Pinheiro et al. (2023), and Ashfaq et al. (2023), who reported that female representation on corporate boards significantly improved financial performance and disclosure practices. The difference may be attributed to variations in sectors, institutional environments, governance structures, and the relatively low participation of women on corporate boards within the Nigerian food and beverage industry.

Board Financial Expertise (Finding 2)

The study revealed that board financial expertise had a positive and significant effect on the risk management practices of listed food and beverage firms in Nigeria. This indicates that firms with a higher proportion of directors possessing accounting, finance, or related professional knowledge are more likely to establish stronger risk management practices and provide better risk disclosures. Directors with financial expertise are better equipped to identify financial and operational risks, evaluate internal control systems, interpret complex financial information, and recommend appropriate risk mitigation strategies. Their technical competence enhances the quality of board oversight and improves management's accountability in addressing emerging risks. This finding supports Shatima, Babayo and Madaki (2020), who found that board expertise positively and significantly improved financial reporting quality among listed consumer goods companies in Nigeria. It also agrees with Githaiga and Kosgei (2023), who reported that board financial expertise significantly enhanced sustainability reporting, and with Owonifari et al. (2023), who observed that board expertise significantly improved the financial performance of listed deposit money banks in Nigeria. Similarly, Amana et al. (2023) found that greater board expertise enhanced the survival of listed manufacturing firms in Nigeria, while Owusu et al. (2025) reported that managerial knowledge and education increased sustainability reporting among Ghanaian SMEs. However, the finding differs from Ighoroje (2022), who reported that board educational exposure had a positive but insignificant effect on bank performance in Nigeria. The variation in findings may be explained by differences in the measurement of financial expertise, sectoral characteristics, and the nature of the dependent variables examined. Since risk management requires technical financial judgment, directors with financial expertise are more likely to influence board decisions that strengthen risk management practices than in studies that focused on broader measures of corporate performance.

Risk Committee Presence (Finding 3)

The study established that risk committee presence had a positive and significant effect on the risk management practices of listed food and beverage firms in Nigeria. This implies that firms with a separate risk committee are more effective in identifying, monitoring, evaluating, and managing risks than firms without such committees. A dedicated risk committee provides greater attention to enterprise risks, strengthens internal control processes, promotes compliance with regulatory requirements, and improves the quality of risk disclosures in annual reports. The existence of a specialised committee also allows the board to focus on strategic issues while ensuring that risk-related matters receive continuous attention from qualified members. This finding is consistent with Amana et al. (2023), who found that the existence of a risk management

committee significantly enhanced the survival of listed manufacturing firms in Nigeria. It also agrees with Musa et al. (2025), who concluded that stronger board oversight contributes to reducing undesirable management practices in Islamic banks. Similarly, Blay et al. (2024b) reported that board committee characteristics influenced social sustainability reporting, while El-Deeb and Mohamed (2024) found that audit committee independence and meeting frequency significantly improved integrated reporting quality. However, the finding differs from Radin et al. (2024), who found that sustainability committees did not significantly influence integrated reporting strategies among Malaysian firms. The difference may be attributed to differences in committee responsibilities, governance practices, and regulatory environments across countries. In Nigeria, where firms operate under increasing regulatory oversight and face diverse operational risks, the presence of a dedicated risk committee may play a more direct role in strengthening risk management practices than in jurisdictions with more mature governance systems.

5.1 Summary of Findings

The main objective of the study is to evaluate the effect of board dynamics on risk management practices of listed food and beverage firms in Nigeria. The findings of the study revealed that:

1. Board gender diversity had a positive but non-significant effect on risk management practices of listed food and beverage firms in Nigeria ($\beta = 0.004234$; $p = 0.9331$).
2. Board financial expertise had a positive and significant effect on risk management practices of listed food and beverage firms in Nigeria ($\beta = 0.258519$; $p = 0.0000$).
3. Risk committee presence had a positive and significant effect on risk management practices of listed food and beverage firms in Nigeria ($\beta = 0.141817$; $p = 0.0021$).

5.2 Conclusion

This study examined the effect of board dynamics on risk management practices of listed food and beverage firms in Nigeria. Based on the findings, the study concludes that board dynamics play an important role in strengthening risk management practices among listed food and beverage firms in Nigeria. Specifically, board financial expertise and risk committee presence had positive and significant effects on risk management practices, indicating that the financial knowledge and professional competence of board members, as well as the existence of dedicated risk oversight committees, contribute significantly to effective risk identification, assessment, monitoring, and control. However, board gender diversity had a positive but non-significant effect, suggesting that gender representation on the board, although desirable, may not independently translate into improved risk management practices. The study therefore concludes that enhancing the financial expertise of board members and strengthening the role of risk committees are critical to improving risk management practices and promoting effective corporate governance among listed food and beverage firms in Nigeria.

5.3 Recommendations

The study recommended that:

The boards of directors of listed food and beverage firms in Nigeria should promote meaningful participation of female directors in board deliberations and strategic decision making by assigning them active roles on key board committees, rather than focusing only on increasing female representation.

The boards of directors and shareholders of listed food and beverage firms in Nigeria should appoint and retain directors with strong accounting, finance, and risk management expertise to strengthen board oversight and improve the quality of risk management practices.

The management and boards of listed food and beverage firms in Nigeria should establish and maintain independent risk management committees with clearly defined responsibilities for identifying, monitoring, and reporting organisational risks on a regular basis.

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