

The Influence of Gender, Nation, Education, and Age of Board Members on the Company's Financial Performance

Herni Kurniawati^{1*} Henny Henny¹

¹Faculty of Economics and Business, Universitas Tarumanagara, Jakarta, Indonesia

*Corresponding author. Email: hernik@fe.untar.ac.id

ABSTRACT

Public companies are asked to execute good corporate governance (GCG), in conformance with the insistence of interested parties, which are regulated in the Financial Services Authority Regulation No.21/Pojk.04/2015 and Circular Letter of the Financial Services Authority No.32/SEOJK.04 years 2015. Implementation of GCG as stated by some literatures requires diversity in the commissioners and directors board, resulting in a positive effect on the company's financial performance with an impact on achieving a going concern for a long period. The research objective was to investigate whether there is an effect of gender diversity, nationality, educational background, age of board members on the financial performance of manufacturing companies. The research sample is manufacturing companies in the 2015-2018 period with a total of 63 companies with 256 firm years of observation. The research location is the Tarumanagara University Stock Corner. The conclude of the study are (1) Gender in board members cannot increase/ decrease the company's financial performance; (2) Nationality of board members has a positive effect on the financial performance of manufacturing companies; (3) The educational background of board members can improve the financial performance of manufacturing firms;(4) The age of the board members cannot increase/ decrease the financial performance of the manufacturing company.

Keywords: *Financial performance, Gender, Nationality, Educational background, Age*

1. INTRODUCTION

Economic review, as an online economic tabloid, continuously takes conscious action on the implementation of good corporate governance for companies listed on the stock exchange. The action, which was carried out in collaboration with Indonesian Social Lean Management, IPMI International Business School, PQI Consultant, and Indonesia-Asia Institute, held an appreciation activity for the Fifth Indonesia GCG Award with the title Consistency of GCG Implementation for Sustainable Growth & Leading in Global Competition [32]. The form of the award given by the Economic Review for companies is holding the fifth Indonesia GCG Award which was held at Balai Kartini Jakarta on 23 August 2019, attended by Prof. Dr. Ir. Marsudi Wahyu Kisworo, MSc as an expert on GCG and has served as Independent Commissioner of PT Telekomunikasi Indonesia Tbk. [32]. The award for the company is a benchmark for management in implementing GCG properly.

Companies that realize GCG based on some literature require diversity in board members (directors and commissioners board). The benefits that the company gets for the diversity of board members can improve the company's financial performance (has a positive effect) so

that the company's going concern goals in a long period are achieved [22]. In addition, the diversity of board members is good news for potential investors because they have the reason that the company is independent and transparent. When companies get information in international networks, it will give trust to investors, and this can improve the company's financial performance [22]. The diversity of board members provides certainty to investors regarding fairness, transparency, accountability, and responsibility for company operations, thus having an impact on growing investors' predictions of the company's future financial performance. This explanation proves that there is a correlation between board member diversity and company performance [36]. Indonesia implements a two-tier company board, where the composition of the board consists of commissioners' board and directors board. Commissioners board has responsibility for monitoring the work carried out by the directors' board and have responsibility of regulating the company's operations. The presence of foreign national board members is one gauge of the diversity of board members in a company. The investor's opinion states that if the composition of board members consists of foreign nationals, then the company has been managed professionally, which in turn is persuaded to invest money in the company [22].

The conclusion of research on the diversity of board members and good corporate has the impact of increasing the effectiveness of board members' work and the supervision carried out, which results in improving company performance [7, 10]. This is because the commissioners and directors board have an important contribution to obtain the company's goals, namely enhancing financial performance. Therefore, a diversity of commissioners and directors' boards are needed to realize the company's aims, with diversity consisting of (1) gender, (2) nationality, (3) educational background, and (4) age [8]. Diversity of directors' board, namely gender in the literature provides inconsistent results affecting financial performance positively, namely in research [3] and [34] which have shown gender diversity in board members can improve financial performance. However, different research results were produced [12, 21] which proves that gender diversity can reduce company performance.

The next board member diversity is nationality. The nationality contained in board members, namely foreign nationality, is a proxy for the diversity of board members in many studies. Ararat et al. [4] in their research it has been proven that board members who are foreign citizens have a positive effect on firm value. The conclusion of this research is using a sample of companies in countries adhering to a two-tier system (such as Norway and Sweden). However, companies in countries that adhere to a one-tier system such as the United States provide different research results, which is proven by [16, 5] where the diversity of board members influences reducing company performance. This is because the large number of board members who are foreign nationals can reduce communication between board members and a large age difference can ease the decision-making process. Meanwhile, according to research results [11] national diversity in board members does not have a positive or negative impact on the company's financial performance. The next diversity is the educational background required by the company. The diversity of educational backgrounds is substantial for the formation that fills the entire board. The reason for the importance of diversity in education for board members is to keep pace with the progress of the company's business so that the business decisions that board members make can further improve financial performance. Based on research results Darmadi [13] supplies empirical proof that the educational qualifications of board members and CEOs are important, to a certain extent, thereby increasing the company's financial performance as proxied by Return on Assets (ROA). As argued by Bhagat, et al. [9] regarding the identification and measurement of such management capabilities as difficult and expensive, observable, and objective measures such as educational qualifications may need to be considered in recruiting board members. Darmadi, [13] states that educational qualifications can be a proxy for intelligence for board members so that they have a positive effect on the company's financial performance.

The last discussion of diversity in board members is age. Tulung and Ramdani [35] found that age diversity in TMT

characteristics had a positive relationship with the performance of the Regional Development Bank of North Sulawesi. The age diversity indicator is used to assess greater variation in terms of cognitive, information and value, this is because board members who are under forty years old have different information, experiences, and different views than senior board members in deciding on issues related to issues. strategic issues [29]. However, different research results are proven by Saerang et al. [29] with a research sample at a regional development bank in North Sulawesi, Indonesia, where the result is that the age of board members does not affect the financial performance of the regional development bank.

The research gap of this study is that the results of previous research have shown inconsistent results to prove the hypothesis. Therefore, the researcher has the intention to empirically examine the diversity of board members, namely gender, nationality, educational background, and age of board members, whether it can enhance the company's financial performance or not, so the researcher proposes four problem formulations, namely: (1) Can the gender of board members enhance the company's financial performance?; (2) Does the nationality of board members enhance the company's financial performance?; (3) Does the educational background of board members enhance the company's financial performance?; (4) Does the age of board members enhance the company's financial performance?

1.1. Our Contribution

This research proves empirically how the diversity of board members consisting of gender, nationality, educational background, and age influences the financial performance of manufacturing companies as gauged by ROA.

2. BACKGROUND

2.1. Agency Theory and Signal Theory

Agency theory that is associated with the diversity of board members that a company has. Agency theories recommend that more assorted boards are more independent and better able to make their control function [1]. Diversity of board members can improve the decision-making process by adding sundry thoughts, expertise, backgrounds, perspectives, and business knowledge [26], increasing the ability of the board to handle various opportunities and challenges in the external environment of the organization [27]. In signal theory, companies will voluntarily submit information related to the company to the capital market with the aim of reducing information asymmetry. Based on signal theory, the presence of a female board of commissioners and directors, the presence of individuals with various nationalities on the board of commissioners and directors, a distributed educational background, and the level of independence will provide a

positive signal that they have implemented the principles of GCG, especially for accountability, and independence of decision making. This information should be considered good news and has information content for investors and will influence the company's financial performance assessment [37].

2.2. Diversity of Board Members

The meaning is the diversity in board members in terms of characteristics informing the public about their opinion [4]. NACD is of the opinion, in determining who will be elected as a board member, considering diversity in the election of board members [38]. The composition of the board of commissioners and directors' board is increasingly diverse, so there are many options for resolving issues that are happening in the company. The diversity contained in the composition of the board of commissioners and directors discussed in the study is gender, nationality, educational background, and age [8], on the grounds that this diversity still results in inconsistencies in the results of previous research. Gender socialization theory means that the gender disparity between men and women lie in inherent characteristics, and this will lead to differences in behaviour between men and women. Some of the gender-related characteristics that have been identified in the literature include moral development, moral sensitivity, and a tendency to take risks [39]. Therefore, differences in gender characteristics of women and men can influence company management decisions. The second diversity is nationality. The presence of board members who are foreign national for the company, can provide positive benefits for the company, because investors think that if there are board members who are foreign nationals it shows that the company has been run competently, which results in foreign investors not hesitating to invest in the company [22].

The higher education that boards members have can contribute to their effectiveness and can also signal to investors about their quality. Although it is not mandatory for board members to have a business and economic education background, it is much better if board members have business and economic knowledge [29]. Board members who have knowledge in doing business are sure to run a better business and make the right business decisions than board members who do not have business knowledge [29]. The next diversity is age. Age is the diversity that is used to assess greater variation in terms of cognitive, information and value, which is because young managers (under 40 years) are assumed to have information, experience, and perspectives that are not the same as senior managers (over 40 years). in compiling company decisions on strategic matters [29]. Pegels and Yang [28] recommend that senior managers incline to evade from risk, while young managers lead to look for high-risk things and look for innovative company growth strategies [29].

2.3. Financial Performance

Company management has successfully obtained good financial performance to carry out its function in managing assets in the company effectively for a certain period [30]. According to Isbanah [20] the company's financial performance is a measure of the success of a manager operating a company. Information related to financial performance is needed by groups that have an interest in the company. From some of the definitions that have been described above, the conclusion is that financial performance is a measurement tool that is owned by a company to achieve the company's goals so that the company can realize its competitive advantage. Return on assets (ROA) is a ratio commonly used as a proxy for financial performance measures in research. ROA is defined as a measure that companies often use to assess their financial performance. According to Gitman, and Zutter [18] ROA measures the overall effectiveness of management in generating profits with its available assets. The higher the firm's return on assets the better. If the ratio value is getting higher, it shows the meaning of efficiency that has been realized by company management so that it can result in an increase in company performance, especially financial performance.

2.4. Hypothesis Development

Gender socialization theory mentions that gender differences exist in which men and women have different characteristics and lead to differences in behaviour between men and women. Some of the gender-related characteristics that have been identified in the literature include moral development, moral sensitivity, and a tendency to take risks [39]. Therefore, differences in gender characteristics of women and men can influence company management decisions. Such as research results Liu et al. [25]; Saerang et al. [29]; and Sarhan et al. [30] which prove that gender diversity on board members has a positive influence on the company's financial performance. So, the hypothesis is:
H1: The gender of board members has a positive effect on the company's financial performance.

Board members who are foreign nationals, are diversity, offer benefits for the firm, namely the presence of board members who have broader work experience, adding more information and experience to the company, convincing investors that the company is operated professionally [38]. Therefore, the research results Estélyi and Nisar [15] are board members who are foreign nationals can improve the company's financial performance, and the proposed hypothesis is:

H2: The nationality of board members has a positive effect on the company's financial performance.

Board members who have studied business science and economics can contribute to their effectiveness and can

also signal to investors about their quality. Although it is not mandatory for board members who serve to have education in the fields of business and economics, it is much better if board members have business and economic knowledge [29]. In line with the opinion Saerang et al. [29], research results Sarhan et al. [30] have proven that board members with educational backgrounds in business and economics can improve the company's financial performance, so the proposed hypothesis is:

H3: The educational background of board members has a positive effect on the company's financial performance.

Tulung and Ramdani [35] proved that age diversity in TMT characteristics has a positive relationship with the performance of Regional Development Banks. The reason is that senior board members incline to evade risk, while young managers prioritize pursuing high-risk objects and innovative growth plans [29, 17]. Based on the research results, the hypotheses are:

H4: The age of board members has a positive effect on the company's financial performance.

3. METHODS

3.1. Population and Sample Determination

The population are all firms listed on the Indonesia Stock Exchange (IDX), with the sample being manufacturing companies in the 2015-2018 period. The reason for taking samples of manufacturing firms is that the manufacturing industry sector is the largest so that the conclusions generated from the research are not biased. Samples of manufacturing companies taken are engaged in the manufacture of beverages and packaging, concrete, consumer goods, cigarettes, and others. This research took a research sample using purposive sampling technique to produce 63 companies with 256 firm years, with the following criteria: (a) The company is listed on the IDX continuously in the 2015-2018 period; (b) The company obtained consecutive profits during the 2015-2018 period; (c) The financial statements use the rupiah currency (symbol: IDR); (d) The company is not in a merger; (e) The company is not conducting an IPO in the 2015-2018 period.

3.2. Data Analysis Technique

Panel data regression is used as a data analysis technique. According to Gujarati and Porter [19] and Ekananda [14] panel data does not require a classical assumption test, because panel data can reduce bias that may arise in analysing data so that it can share more information, differences, and the degree of freedom. Another advantage provided by panel data is that it can better finding and assessing the effect, which cannot be done using cross section and time series data [19, 14].

3.3. Variables and Measurements

3.3.1. Dependent Variable

This research makes use of financial performance as a dependent variable proxied by ROA on the grounds that it can measure the company's capability to generate profits in the past and then project it in the future [18]. According to Kieso et al. [23] ROA is calculated by the formula:

$$: ROA = \frac{\text{Net income}}{\text{Total Assets}}$$

3.3.2. Independent Variable

3.3.2.1. Diversity of Board Members

Gender. Differences in the gender characteristics of women and men can influence company management decisions. Gender is measured by a proportion where the formula is [29]:

$$= \frac{\text{the number of women on the board}}{\text{number of board members}}$$

Nationality. The presence of board members who are foreign national can provide positive advantages for the company because investors think that if there are board members who are foreign nationals, it shows that the company has been run competently, which causes foreign investors not to hesitate to invest in the company [22]. Nationality in the study is measured by the dummy variable, where the value of 1 is for members of the board who are foreign citizens and the value of 0 is vice versa.

Educational background. Educational background possessed by board members in business science and economics in running their business ensures that they run the business better and produce correct business decisions compared to board members who have knowledge other than business and economics [29]. So that the proxy measures board members who have business and economics knowledge with the formula:

$$= \frac{\text{number of members of the board of economics and business sciences}}{\text{number of board members}}$$

Age. The age of senior board members (over 40 years old) tends to be risk averse, on the other hand, young board members aged under 40 aim to pursue something with high risk, and innovative growth strategies [29]. Age is measured by a formula:

$$= \frac{\text{number of board members under 40 years of age}}{\text{number of board members}}$$

3.3.2.2. Control Variable

This research uses control variables, are firm size and leverage. Firm size is measured by total assets, where the firm is large, indicate that their financial performance is

good because large companies are assumed to be relatively stable and are considered to have the capability to earn large profits compared to small companies [6]. Firm size is measured by the formula: $\ln(\text{Total Assets})$.

The second control variable is leverage. Companies that use a capital structure using leverage (debt) can improve their financial performance on the grounds that an increase in the value of debt also contributes to an increase in asset value so that they can finance company operations with the aim of obtaining profitability. If it can be concluded that if the company has a larger source of funds, it can certainly increase its profits and risks [20]. The formula for calculating leverage is = $\frac{\text{Total Debt}}{\text{Total Equity}}$

3.3.2.3. Analysis Model

This research uses panel data regression analysis where the research model equation is as follows:

$$ROA_t = a_{it} + bPJEND_{it} + cDKEB_{it} + dPLBP_{it} + ePUSIA_{it} + fSize_{it} + gLEV_{it} + e_{it}$$

Description:

ROA = Company financial performance

PUSIA = Proportion of council members under 40 years of age

PJEND = Proportion of female gender

DKEB = Dummy for national diversity, where the value of 1 is for board members with the status of foreign citizens (WNA) and the value of 0 is otherwise

PLBP = Proportion of board members with economic and business educational backgrounds

Lev = capital structure

Size = firm size

4. FINDINGS AND DISCUSSIONS

4.1. Descriptive Statistical Analysis

Table 1 Descriptive Statistical Analysis

	N	Min	Max	Mean	Std.Dev.
ROA	256	0.000	0.781	0.087	0.100
JEND	256	0.000	1.000	0.108	0.129
KEB	256	0.000	1.000	0.382	0.487
LBP	256	0.000	1.000	0.532	0.205
USIA	256	0.000	1.000	0.929	0.194
SIZE	256	0.000	37.676	28.40	2.452
LEV	256	0.000	32.151	4.260	9.225
Valid N (listwise)	256				

Source: Output of Eviews 9

Based on the results of the descriptive statistical data processing of 256 sample observations mentioned above, it proves that the average manufacturing company has financial performance, which is proxied by ROA, of

8.76%. These results explain that manufacturing companies that have low financial performance are due to the low value of the diversity of board members (gender, nationality, educational background, and age) of the company.

4.2. Hypothesis Testing Results

From the specification test above, it is concluded that the model is better to use estimation with common effect. It is known that in previous tests, the model has passed the classical assumption test, so the estimation results are consistent and unbiased. The prediction results of the panel data regression model are as follows:

Table 2 Model Estimation Results

Variable	Coefficient	t-stats.	Prob.
C	0.006	0.091	0.927
GENDER	0.050	1.057	0.291
NATION	0.048	3.686	0.000
EDUC	0.053	1.763	0.079
AGE	0.012	0.380	0.703
SIZE	0.000	0.235	0.813
LEVERAGE	-0.000	-0.225	0.821
R ²	0.072		
Adjusted R ²	0.050		
F-statistic	3.251	Durbin-Watson stat.	1.570
Prob. (F-statistic)	0.004		

Source: Output of Eviews 9

Based on the analysis, the F-count value is 3.251 and the F-probability is 0.004. In the 10% significance level, it is concluded that the F test is proven to be significant. So, it can be concluded that gender, nationality, educational background, and age of board members have a positive impact on financial performance (probability 0.004).

The t-test results presented in the table prove that:

- The effect of gender on board members as measured by the probability that the number of board members is female gives a t-count of 1.057 and a probability of 0.291 at a significance level of less than 10%, meaning that gender on board members has no significant positive effect on the financial performance of manufacturing companies.
- The influence of the nationality of board members who work in manufacturing companies has a positive impact on financial performance, as evidenced by the t-count result of 3.686 with a probability of 0.000 in the significance level of less than 10%.
- The influence of the educational background of board members of manufacturing companies has a significant positive effect on the financial performance of manufacturing companies. Where is evidenced by the results of the t-count of 1.763 with a probability of 0.079 in the significance level of less than 10%.

- d. The effect of the age of board members in manufacturing companies is proven not to have a positive effect on financial performance. Where is evidenced by the results of the t-count of 0.380 with a probability of 0.703 in a significance level of more than 10%.
- e. The results of panel data regression on firm size and leverage variables, control variables, gave the results did not have a positive effect on the financial performance of manufacturing companies. The control variable firm size shows that the size of the company cannot cause an increase or decrease in financial performance, by giving the t-count result of 0.235 with a probability value of 0.813. While the leverage control variable also does not have a significant positive effect on the financial performance of manufacturing companies by giving the result of t-count -0.225 with a probability value of 0.821.
- f. The resulting goodness of fit value is 0.072. This figure indicates that the contribution of all independent variables in explaining the dependent variable is only 7.265%, and the remaining 92.734% is explained by other variables outside the research model that has been described.

4.3. Discussion

The research panel data processed by regression with the common effect method produces the following regression equation:

$$ROA_{it} = 0.006779 + 0.050741 \text{ GEND} + 0.048419 \text{ NATION} + 0.053014 \text{ EDUC} + 0.012420 \text{ AGE} + 0.000624 \text{ SIZE} - 0.000152 \text{ LEVERAGE}$$

Based on the results of panel data regression data, it is proven that hypothesis 1 is rejected, this means that gender in board members does not have a positive effect on financial performance. Manufacturing companies generally have less than 15% of total female board members (10.84%). The results of this research support the research results of Chapple and Jacquelyn [12] and Liu et al. [25]. The reason the company places more male board members than women is because it assumes that men have a higher ability than women in terms of intelligence that supports financial performance [12]. Another reason is the presence of women on board members only to comply with applicable government regulations or to fulfill ethical responsibilities and symbolic perspectives [25].

Hypothesis 2 based on the table estimation model results shows that it is accepted, which means that the nationality contained in board members is proven to affect improving the financial performance of manufacturing companies. This is evidenced in the table above that the average manufacturing company has board members who are foreign nationals by 40% of 100% and this is said to be quite large. The reason is because the diversity in nationalities in manufacturing companies provides more diverse perspectives, ideas, and information, so that they

can make effective decisions related to the company's financial performance [15].

The conclusion of the panel data regression in the table above have proven that accepting H3, namely the business and economic education background of members of the board of manufacturing companies, has a positive impact on their financial performance. Serving board members who have business and economic education as their educational background provide better work results in making business decisions so that the business is run better, compared to serving board members who do not have business and economic education as their educational background [29].

Based on the results of the panel data regression test, it has been proven that rejecting hypothesis 4 where the age of the board members of a manufacturing company has no impact on the company's financial performance. The conclusion of this research backing the conclusion research of Kusumastuti et al. [24], Rompis et al. [40], Fathonah [41] argued that the age of board members over 40 years is considered weak due to the complexity of the work of a board member, it requires special skills that must be possessed. In accordance with the fact in manufacturing companies that are research samples, that the average board member has an age of more than 40 years. This is presented in the annual report of the manufacturing company. The reason is because board members who are more than 40 years old have more experience operating the company's business. In addition, the average age of board members in manufacturing companies is over 40 years due to bureaucratic factors and seniority in Indonesia, because according to research proven by Kusumastuti, et al. [24] that seniority is a biased measure because someone may have been in the company for a long time, but it does not make a significant contribution to improving the company's financial performance.

The control variable test shows that firm size proves does not have an impact on the financial performance of the manufacturing firm. This means that potential investors understand very well that firm size cannot be a guarantee if a large firm is guaranteed to have a good financial performance because it is not necessarily supported by good management [20, 33]. This research also proves that the test results of the leverage control variable prove that the results have no positive effect on the financial performance of manufacturing companies. The reason is that the average leverage value manufacturing companies are not too large because they seek internal sources of funding, such as securities issuance, compared to external funding sources (debt) [2].

5. CONCLUSIONS

First, the gender of women in board members cannot increase or decrease the company's financial performance. The reason is the average number of female board members in manufacturing companies is less than 15% (10.84%). The reason the company places more male

board members than women is because men have a higher ability than women in terms of intelligence which supports financial performance [12]. In addition, the presence of women on board members is only to comply with applicable government regulations or only to fulfil ethical responsibilities and symbolic perspectives [25]. Second, whereas foreign national board members have a positive impact on the financial performance of manufacturing companies. The reason is that these foreign citizen board members provide more diverse perspectives, ideas, and information, so that they can make effective decisions regarding the company's financial performance [15]. And third, board members who have education in business and economics can improve the financial performance of manufacturing companies. The reason is that board members who have the knowledge of business and economics are certainly able to run a business better and make correct business decisions than board members who do not have business and economics knowledge [29]. (4) The results of the analysis prove that the age of board members does not have a positive effect on the financial performance of manufacturing companies, because according to the reality presented in the annual reports that the board members have an average age of more than forty years. The reason is because board members who are over forty years old have more experience operating the company's business [40 41]. In addition, the average age of board members in manufacturing companies is over forty years due to bureaucracy and seniority in Indonesia, because according to proven research [24] that seniority is a biased measure, because seniority can be said for employees. who have worked for a long time, but its contribution is not seen to promote the company, namely improving the company's financial performance?

6. SUGGESTIONS

This studies provides input to further research consisting of (1) replacing the proxies for measuring gender diversity with a dummy variable where a value of 1 is for companies that have female board members and a value of 0 is the opposite; (2) changing the proxy for measuring the age diversity of board members to the proportion of members under 50 years; (3) replacing control variables, namely managerial ownership and liquidity, which in previous studies had a positive effect on financial performance.

ACKNOWLEDGMENT

This study was supported by the Tarumanagara University Research and Community Service Institute (LPPM Untar) and was conducted from January to June 2020, so that the annual reports of manufacturing companies for the 2019 period had not all been published on the Indonesian stock exchange website.

REFERENCES

- [1] Shamsul Nahar Abdullah, The causes of gender diversity in Malaysian large firms, *Journal of Management and Governance*. 18(4) (2014) 1137–1159. DOI: <https://doi.org/10.1007/s10997-013-9279-0>
- [2] Melisa Afida Alfian, Analisis Pengaruh Faktor yang Menentukan Profitabilitas Sektor Properti, Real Estate, dan Konstruksi Bangunan Yang Terdaftar Di BEI Periode 2010-2014. *Jurnal Ilmu Manajemen*. 4(2) (2016) 1-14. <https://core.ac.uk/download/pdf/230762322.pdf>
- [3] M. Ali, Ng, Y. L., Kulik, C. T., Board Age and Gender Diversity: A Test of Competing Linear and Curvilinear Predictions, *Journal of Business Ethics*. 2014. DOI: <https://doi.org/10.1007/s10551-013-1930-9>
- [4] Melsa Ararat, Mine H. Aksu, Ansel Tansel Cetin, The Impact of Board Diversity on Boards' Monitoring Intensity and Firm Performance: Evidence from the Istanbul Stock Exchange, *SSRN Electronic Journal*. (2010) 1–33. DOI: <https://doi.org/10.2139/ssrn.1572283>
- [5] Maria Jacinta Arquisola, Kezia Shella, Erny Hutabarat, How does board diversity affect the financial performance of commercial banks in indonesia? An inquiry, *Jurnal Manajemen*. XXII(1) 2018 62–73. DOI: <https://doi.org/10.24912/jm.v22i1.313>
- [6] An Suci Azzahra, Nasib, Pengaruh Firm Size & Leverage Ratio Terhadap Kinerja Keuangan pada Perusahaan Pertambangan. *JWEM STIE MIKROSKIL*. 9(1) (2019) 13-20.
- [7] Walid Ben-Amar, Chang Millicent, P. M., Board Gender Diversity and Corporate Response to Sustainability Initiatives: Evidence from the Carbon Disclosure Project, *Journal of Business Ethics*. 142(2) (2017) 369–383. DOI: <https://doi.org/10.1007/s10551-015-2759-1>
- [8] Gennaro Bernile. Vineet Bhagwat, Scott Yonker, Board diversity, firm risk, and corporate policies, *Journal of Financial Economics*. 127(3) (2018) 588–612. DOI: <http://doi.org/10.1016/j.jfineco.2017.12.009>
- [9] Rabi S. Bhagat, Balaji Krishnan, Terry A.Nelson, Karen Moustafa Leonard, David L. Ford Jr., T. K. B. Organizational stress, psychological strain, and work outcomes in six national contexts: A closer look at the moderating influences of coping styles and decision latitude, *Cross Cultural Management*. 17(1) 2010 10–29. DOI: <https://doi.org/10.1108/13527601011016880>
- [10] Audra L. Boone, Laura Casares Field, Jonathan M. Karpoff, C. G. R. The determinants of corporate board size

and composition: An empirical analysis, *Journal of Financial Economics*, (2007), 85(1), 66–101. DOI: <https://doi.org/10.1016/j.jfineco.2006.05.004>

[11] David A. Carter, Frank D'Souza, Betty J. Simkins, W. G. S., The gender and ethnic diversity of US boards and board committees and firm financial performance, *Corporate Governance: An International Review*, 18(5) 2010 396–414. DOI: <https://doi.org/10.1111/j.1467-8683.2010.00809.x>

[12] Larelle Chapple, Jacquelyn E. Humphrey, Does board gender diversity have a financial impact? Evidence using stock portfolio performance, *Journal of Business Ethics* 122(4) (2014) 709–723. DOI: <https://doi.org/10.1007/s10551-013-1785-0>

[13] Salim Darmadi, Board members' education and firm performance: evidence from a developing economy, *International Journal of Commerce and Management*. 23(2) 2013 113–135. DOI: <https://doi.org/10.1108/10569211311324911>

[14] Mahyus Ekananda, *Analisis Ekonometrika Data Panel Edisi 2*. (2016) Jakarta: Mitra Wacana Media

[15] Kristina SÁghy Estélyi, Tahir M. Nasir, Diverse boards: why do firms get foreign nationals on their boards? *Journal of Corporate Finance*. 38 (2016) 174-192. DOI: <https://doi.org/10.1016/j.jcorpfin.2016.02.006>

[16] Marc Eulerich, Patrick Velte, C. V. U. (2014). The impact of management board diversity on corporate performance - An empirical analysis for the German two-tier system. *Problems and Perspectives in Management*, 12(1) 2014, DOI: <https://ssrn.com/abstract=2521025>

[17] Lailah Fujianti, Top management characteristics and company performance: an empirical analysis on public companies listed in the Indonesian Stock Exchange, *European Research Studies Journal*. 21(2) 2018 62-76.

[18] Lawrence J. Gitman, Chad J. Zutter, *Principles of Managerial Finance*. 13th Edition, Pearson, 2012.

[19] Gujarati Damodar, Dawn Porter. *Dasar-dasar Ekonometrika Buku 2*, Salemba Empat, 2013.

[20] Yuyun Isbanah, Pengaruh ESOP, leverage, and ukuran perusahaan terhadap kinerja keuangan perusahaan di bursa efek Indonesia, *Journal of Research in Economics and Management*. 15(1) (2015) 28-41. DOI: <https://doi.org/10.17970/jrem.15.150103.ID>

[21] Iswadi. (2016). Kinerja Perusahaan Berkaitan Dengan Diversitas Gender Dalam Dewan Direksi, *Jurnal Ekonomi Dan Bisnis*, 16(1) (2016).

[22] F. A Kesaulya, Febriani. N., Pengaruh Diversitas Kebangsaan Board of Director dan Kepemilikan

Blockholders Terhadap Nilai Perusahaan: Studi Pada Perusahaan Publik Di Indonesia, *Kompartemen, Jurnal Ilmiah Akuntansi*. XVII(2) 2018 60–68. DOI: <https://doi.org/10.30595/kompartemen.v16i2.2797>

[23] Donald E. Kieso, Weygandt, J. J., Warfield, T.D., *Intermediate Accounting: IFRS Edition 3e*, Wiley, 2018.

[24] Sari Kusumastuti, Supatmi, Perdana Sastra, Pengaruh Board Diversity Terhadap Nilai Perusahaan Dalam Perspektif Corporate Governance, *Jurnal Akuntansi dan Keuangan*. 9(2) (2007) 88-98.

[25] Yu Liu, Wei Zuobao, Feixue Xue, Do women directors improve firm performance in China? *Journal of Corporate Finance*. 28 (2014) 169-184. DOI: <http://dx.doi.org/10.1016/j.jcorpfin.2013.11.016>

[26] Mijntje Lückerath-Rovers, Women on boards and firm performance. *Journal of Management and Governance*, 17(2) 2013 491–509. DOI: <https://doi.org/10.1007/s10997-011-9186-1>

[27] Collins G. Ntim, Board diversity and organizational valuation: unravelling the effects of ethnicity and gender, *Journal of Management and Governance*. 19(1) 2013 167–195. DOI: <https://doi.org/10.1007/s10997-013-9283-4>

[28] C. Carl Pegels, Baik Yang, Top management team impact on strategies assets accumulation capabilities, *Management Decision*. 38(10), (2000) 694-710. DOI: <https://doi.org/10.1108/00251740010379740>

[29] David P. E. Saerang, Joy Elly Tulung, Imelda W. J. Ogi, The influence of executives' characteristics on bank performance: The case of emerging market, *Journal of Governance and Regulation*. 7(4) (2018) 13–18. DOI: https://doi.org/10.22495/jgr_v7_i4_p2

[30] Ahmed A. Sarhan, Collins G. Ntim, Basil Al-Najjr, Board diversity, corporate governance, corporate performance, and executive pay, *International Journal of Finance and Economics*. (2018) 1–26. DOI: <https://doi.org/10.1002/ijfe.1690>

[31] Srinidhi, B., Gul, F.A. & Tsui, J. (2011). Female directors and earnings quality, *Contemporary Accounting Research*, 28(5), 1610-1644. DOI: <http://doi:10.1111/j.1911-3846.2011.01071.x>

[32] Imam Suhartadi, Pentingnya Tata Kelola Baik Ditengah Persaingan Industri, *Investor Daily Indonesia*. 2019. Retrieved from: <https://investor.id/business/pentingnya-tata-kelola-baik-ditengah-persaingan-industri>

[33] Jessica T.A Tambunan, Bulan Prabawani, Pengaruh Ukuran Perusahaan, Leverage, dan Struktur Modal Terhadap Kinerja Keuangan Perusahaan (Studi pada Perusahaan Manufaktur Sektor Aneka Industri Tahun

2012-2016), *Jurnal Ilmu Administrasi Bisnis*. 7(2) (2018) 130-140

[34] Tran Thi Thanh Tu, Hoang Huu Loi, T. T. H. Y, Relationship between Gender Diversity on Boards and Firm's Performance - Case Study about ASEAN Banking Sector, *International Journal of Financial Research*. 6(2) (2015) 150–159. DOI: <https://doi.org/10.5430/ijfr.v6n2p150>

[35] Joy Elly Tulung, Dendi Ramdani, The Influence of Top Management Team Characteristics on BPD Performance, *International Research Journal of Business Studies*. 8(3),

(2016) 155–166. DOI: <https://doi.org/10.21632/irjbs.8.3.155-166>

[36] K. A. B. Wicaksana, Dampak Diveristas Kebangsaan Anggota Dewan Komisaris dan Direksi pada Kinerja Pasar Perusahaan, *Jurnal Dinamika Manajemen*. 1(1) (2010) 37–48

[37] K. A. B. Wicaksana, I Putu Astawa, Pengaruh Kebangsaan Anggota Dewan Pada Kinerja Pasar, *Jurnal Analisis Manajemen*. 5(2) (2011) 37–48

[38] Ni Luh Putu Purna Yogiswari, I Dewa Nyoman Badera, Pengaruh Board Diversity Pada Nilai Perusahaan Dalam Perspektif Corporate Governance, *E-Jurnal Akuntansi Universitas Udayana*. 26(30) (2019) 2070-2097. DOI: <https://doi.org/10.24843/EJA.2019.v26.i03.p15>

[39] Bin Srinidhi, Ferdinand A. Gul, Judy Tsui, Female Directors and Earnings Quality, *Contemporary Accounting Research*. 28(5) (2011) 1610–1644. DOI: <https://doi.org/10.1111/j.1911-3846.2011.01071.x>

[40] Noval Krisander Rompis, Frederik G. Worang, Joy Elly Tulung, Pengaruh Ukuran Dewan, Keberagaman Usia, dan Keberagaman Gender Terhadap Kinerja Keuangan Bank Pembangunan Daerah di Seluruh Indonesia Buku 2 Tahun 2014-2016. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis, dan Akuntansi*. 6(4) (2018) 2628-2637. DOI: <https://doi.org/10.35794/emba.v6i4.21037>

[41] Andina Nur Fathonah, Pengaruh Gender Diversity dan Age Diversity Terhadap Kinerja Keuangan, *Jurnal Riset Akuntansi & Keuangan* 6(3) (2018) 373-380. DOI: <https://doi.org/10.17509/jrak.v6i3.13941>