ABSTRACT

To fulfill the fifth point of Sustainable Development Goals (SDGs) regarding gender equality, many company stakeholders increase the proportion of women in board positions. This can bring a new perspective in decision-making that will affect the company's financial performance. This study aims to determine and explain the impact of board gender diversity on the financial performance of banking companies as measured by the company's return on assets with control variables of company size, debt ratio, and board size.

This type of research is a quantitative analysis that examines gender diversity in board positions on banking financial performance. The object of this research is state-owned banks which include PT Bank Negara Indonesia (Persero) Tbk, PT Bank Mandiri (Persero) Tbk, PT Bank Rakyat Indonesia (Persero) Tbk, and PT Bank Tabungan Negara (Persero) Tbk. Secondary data is the type of data used in this study obtained from financial reports published on the company's official website. The method in this study uses a panel data regression statistical model. The population and samples used in this study are state-owned banking companies from 2015 to 2021 with a total of 4 companies and using a sampling method, namely nonpurposive sampling with total sampling technique.

The results of this study indicate that board gender diversity, debt ratio (DAR), and board size partially have no significant effect on the financial performance of state-owned banking companies. Meanwhile, company size partially has a significant impact on financial performance. However, simultaneously gender diversity, company size, debt ratio (DAR), and board size have a significant influence on the financial performance of state-owned banking companies.

Keyword: *Board size, Corporate governance, Financial performance, Firm size, Gender diversity, Return on asset.*