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# THE INFLUENCE OF GENDER DIVERSITY AND INTELLECTUAL CAPITAL ON COMPANY PERFORMANCE IN ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) MEDIATION (STUDY ON BUMN COMPANIES 2015-2022)

**Muhamad Abi Dunya[1*], Elvin Bastian[2], Nurhayati Soleha[3]**
[1,2,3]Universitas Sultan Ageng Tirtayasa, Indonesia
Corresponden Email: *abidunya94@gmail.com*[1]

**Abstract**

This research aims to examine the influence of gender diversity and intellectual capital on company performance in environmental, social and governance (ESG) mediation. The object of this research is state-owned companies listed on the Indonesian Stock Exchange for the period 2015-2022. This research used quantitative descriptive methods and purposive sampling techniques for sampling so that 177 research samples were obtained. The data analysis used in this research is multiple linear regression and path analysis using the Eviews 10 software tool. The results of this research show that Gender Diversity has no influence on Environmental, Social, Governance (ESG) and Intellectual Capital has an influence on Environmental, Social, Governance (ESG). Then Gender Diversity has no influence on Company Performance. Intellectual Capital has an influence on Company Performance, and Gender Diversity has no influence on Company Performance and is mediated by Environmental, Social, Governance (ESG). Intellectual Capital has an influence on Company Performance and is mediated by Environmental, Social, Governance (ESG).

**Keywords**: Gender Diversity, Intellectual Capital, Company Performance, Environment, Social, Governance (ESG).

## INTRODUCTION

Rapid technological advances and increasingly fierce competition between companies show the dynamics of the business world that continues to develop. To remain competitive, every company is required to improve its operational efficiency and effectiveness (Annisa et al., 2023). Company performance is the main indicator of management's success in managing existing resources, and a decline in performance can reduce shareholder confidence and cause investment withdrawal (Annisa et al., 2023). In the BUMN sector, strengthening performance reflects the quality of corporate governance that is in line with economic democracy and contribution to national development (Siffiana et al., 2020). The implementation of Good Corporate Governance (GCG) principles is believed to be able to strengthen the position of BUMN in the global market (Saenong, 2017).

In line with the implementation of GCG, Environmental, Social and Governance (ESG) disclosure is an important indicator in assessing a company's responsibility for sustainable development. Environmental disclosure reflects the company's commitment to environmental sustainability, while social disclosure relates to social responsibility to the community and employees. Meanwhile, the governance aspect reflects the extent to which the company has implemented GCG principles in its operations. Based on research by Clark, Feiner, and Viehs (2015), as many as 88% of companies that carry out ESG disclosures show better performance. In addition, BNP Paribas Wealth (2020) revealed that 80% of companies that consistently disclose ESG experience an increase in share

prices. This is reinforced by Henisz, Koller & Nuttall in Ghazali & Zulmaita (2022), who state that ESG is able to expand markets and increase company profitability.

The successful implementation of Good Corporate Governance (GCG) can increase public trust in the company, as experienced by Indosat which received the "The Strongest Adherence to Corporate Governance" award in 2011 as a form of recognition for the implementation of good governance (Marsella, 2013). Effective governance guarantees the protection of shareholders and creditors, as well as directing managerial actions to be oriented towards the company's interests (Mailani Hamdani, 2016). Unfortunately, GCG practices in Indonesia still face various challenges, as stated by Kaihatu (2006), who stated that weak transparency and accountability are still the main problem, as seen in the Jiwasraya case which caused state losses of up to IDR 16.81 trillion. To reduce conflicts of interest between managers and shareholders, effective implementation of GCG is needed as a monitoring system that confirms the rights, obligations and responsibilities of all elements of the company (Carrington et al., 2008). In line with this, Corporate Social Responsibility (CSR) practices are an important part of a company's responsibility towards society, although there are still many companies that are not fully transparent in their disclosures (Kotler and Nancy, 2005; William, 2012; Anggraini, 2006; Munawaroh, 2014; Pramana and Mustanda, 2016; Jizi et al., 2014; Abriyani et al., 2012), so that social transparency is still becomes a challenge in realizing ideal corporate governance.

Apart from GCG and CSR, companies are also required to develop *intellectual capital* (IC) as a strategy to increase competitiveness in a sustainable manner. IC is an intangible asset consisting of *human capital*, *structural capital*, And *relational capital* which can be a source of hidden value for the company (Appuhami, 2005; Susanti, 2016). The application of IC is very important in the value creation process (*value creation*) and increasing competitive advantage in the modern business era. In the BUMN financial sector, IC management is proven to have an influence on the company's financial performance, where *capital employed efficiency* has a significant positive impact on the company's Return on Assets (Kurniasih and Heliantono, 2016). By maximizing all resource potential, including IC, companies can strengthen their position in facing increasingly complex market dynamics.

Women still face various challenges, such as limited access to education, training, employment opportunities and equal treatment in the workplace. However, the issue of women in the business world began to become the focus of attention since the end of the 20th century (John Naisbitt and Patricia Aburdene, 2000). This phenomenon is also reflected in Indonesia, where the success of female managers has received attention in various media. In the BUMN sector, the Minister of BUMN is targeting 25% female representation in leadership positions by 2023. However, the big question is whether the increasing number of female leaders will provide added value in business ethics and integrity (Orlitzky et al., 2003; Tsoutsoura, 2008; Klapper and Love, 2004).

In research on IC and firm performance, most studies such as Joshi et al. (2013), Nimtrakoon (2015), Al-Musali and Ku Ismail (2016), and Jordão and Almeida (2017) show a strong positive

relationship, both in developing and developed countries. This finding is reinforced by Marvridis (2004) who states that banks in Japan that utilize IC have better performance than banks that only focus on tangible assets. Shiu (2006) also found that intellectual value added (VAIC) had a positive effect on profitability and market value, although negatively on productivity. Osman (2014) stated that IC has an important role in encouraging innovation and performance of MSMEs. In addition, recent studies such as Erhardt et al. (2017), Carter et al. (2016), and Campbell and Mínguez-Vera (2018) show a significant positive relationship between gender diversity on the board of directors and firm value. Carter et al. (2016) found that the more diverse the board composition, including the presence of women and minority groups, the higher the company value based on Tobin's Q.

Gender diversity and the use of intellectual capital, as well as the mediating role of Environmental, Social, Governance (ESG) practices. It is hoped that this research can contribute to understanding how gender diversity in leadership and company intellectual assets can improve overall performance, especially when supported by the application of good ESG principles. In addition, it is hoped that the results of this research can provide policy recommendations for companies and regulators to create a more inclusive, sustainable and competitive governance environment.

Based on the description above, this research aims to analyze the relationship between gender diversity, intellectual capital, and company performance, with ESG (Environmental, Social, and Governance) as a mediating variable. This research will explore how gender diversity and intellectual capital influence company performance through ESG principles applied in corporate governance. Apart from that, this research also seeks to identify the extent to which the implementation of ESG can be a determining factor in improving company performance, as well as how the interaction between these variables has an impact on the company's sustainability and success in the global market.

## LITERATURE REVIEW

### Theory Stakeholder

Stakeholder theory can encourage organizational accountability beyond simple corporate or economic performance (Deegan et al., 2000). In this theoretical perspective, companies do not only focus on profits but must also provide benefits to their stakeholders. Mahajan et al. (2023) explains that stakeholders include individuals, groups, or organizations that can influence or be influenced by company goals. Therefore, stakeholder support plays an important role in company sustainability. The application of ESG constructs introduces a new perspective by adding corporate social responsibility considerations, allowing companies to accumulate social capital and build business relationships. This helps alleviate resource constraints and improve a company's efficiency and output (Flammer and Luo, 2021).

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**Gender Diversity**

According to the Oxford Dictionary (2000), diversity is defined as a range of people or things that are very different from each other. This concept is expanding beyond traditional views, as Nancy R. Lockwood explains regarding workplace diversity. Gender diversity is one of the main focuses in diversity research, especially the presence of women in company leadership ranks. Grant Thornton (2018) explains that companies with gender equality can more easily recruit and retain human resources and boost company performance. Research shows that the presence of a female board of directors can increase supervision and better decision making, which in turn contributes to improved company performance (Adams & Ferreira, 2009).

**Intellectual Capital**

According to research by Stewart (1998) and Goh (2000), intellectual capital can be understood in three ways. First, the overall knowledge a company has that provides competitive advantage. Second, intellectual material such as knowledge, information and experience used to create wealth. Third, a useful knowledge package. This definition shows that intellectual capital is not only related to the knowledge and experience of individual employees, but also to knowledge-based company assets. These assets include information, intellectual property, and customer relationships, in line with Roos' view which emphasizes that intellectual capital includes more than just individual knowledge, but also the infrastructure and relationships that support a company's business processes (Sangkala, 2006).

**Company performance**

According to Kusmayadi et al. (2021), company performance is the company's ability to achieve its goals through effective and efficient use of resources. This performance measurement describes the extent to which the company has succeeded in achieving results compared to previous performance and the performance of other companies. Meanwhile, financial performance is measured by financial ratios which reflect the company's achievements in carrying out business activities (Yoon & Chung, 2018). One important indicator in measuring company performance is Return On Assets (ROA), which shows the company's effectiveness in generating profits based on the assets owned (Priatna, 2016). The higher the ROA value, the better the company's performance.

**Thinking Framework**

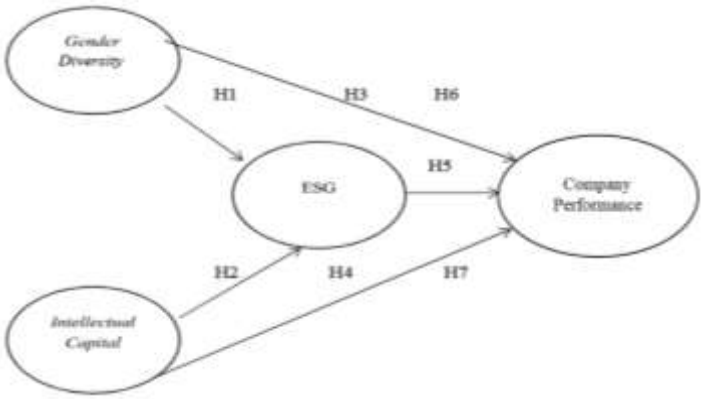



Figure 1 Thinking Framework

**Hypothesis**

$H_1$ = Gender Diversity Has a Positive Environmental, Social, Governance (ESG) Influence

$H_2$ = Intellectual Capital Has a Positive Environmental, Social, Governance (ESG) Influence

$H_3$ = Gender Diversity has a positive effect on company performance

$H_4$ = Intellectual Capital Has a Positive Influence on Company Performance

$H_5$ = Environmental, Social, Governance (ESG) Has a Positive Influence on Company Performance

$H_6$ = Gender Diversity Has a Positive Influence on Company Performance mediated by ESG

$H_7$ = Intellectual Capital Has a Positive Influence on Company Performance mediated by ESG

## RESEARCH METHODS

### Types of research

The type of research used in this research is causal research with a quantitative approach. Quantitative research aims to test theory through measuring variables numerically and statistical analysis. Causal research suggests causal relationships between the variables formulated in the research problem (Sekaran, 2016). Data collection was carried out through library research, so that researchers were not directly involved in the research object.

### Population and Sample

The population in this research is state-owned companies registered on the IDX in 2015-2022, with a total of 24 companies (idx.co.id, 2022). The research sample was selected using purposive sampling with the following criteria: companies that published annual reports and complete financial data during the 2015-2022 period, as well as companies that disclosed ESG in the same period. MThe sample selection method uses purposive sampling

Sampling criteria are as follows:

1. Companies that publish complete annual reports and financial data for the 2015-2022 period.
2. State-owned companies that disclose ESG in the 2015-2022 period.

### Data Types and Sources

The type of data used in this research is secondary data obtained from sustainability reports, company annual reports, and Environmental, Social and Governance (ESG) disclosures of state-owned companies published during the 2018-2022 period. The measurement scale used in this research is the ratio and nominal scale for all variables analyzed.

### Data Analysis Techniques

The classic assumption test was carried out before the regression analysis to ensure the validity of the data used in this research. Some of the tests carried out are the normality test, heteroscedasticity test, autocorrelation test, and multicollinearity test. The normality test uses Kolmogorov-Smirnov to check the distribution of residuals, while the heteroscedasticity test is used to ensure that there is no inequality of variance between residuals (Ghozali, 2020; 2021). Multiple regression analysis was carried out to determine the linear relationship between variables. Hypothesis testing involves the coefficient of determination (adjusted R2), t test, and F test to assess the influence of the independent variable on the dependent variable (Chandrarin, 2018; Ghozali, 2016). Path analysis is used to analyze the direct and indirect influence of independent variables on the dependent variable, which is expanded from multiple linear regression (Ghozali, 2011; 2016).

## RESEARCH RESULTS AND DISCUSSION

### Descriptive Statistics

Data processing in this research was carried out using the Eviews version 10 application. The statistical description used includes the average value (mean), maximum value (max), minimum value (min), and standard deviation (std. dev). The table presents descriptive statistical results for several variables used in this research, which provide an overview of the performance characteristics of state-owned companies, gender diversity, Intellectual Capital (IC), and ESG during the 2015-2022 period.

The results of the analysis show that the average Return on Assets (ROA) value for state-owned companies was recorded at 0.023093 or 2.31%, with quite large variations between the maximum and minimum values. This shows that there are significant differences in the profit performance of state-owned companies. The high standard deviation of ROA, amounting to 0.095082 or 9.51%, illustrates that there is quite a large risk in the performance of state-owned companies during that period. Meanwhile, the average gender diversity (GD) value was recorded at 0.077451 or 7.74%, with a standard deviation of 0.099812 or 9.98%, which shows that there is still inequality in gender diversity in state-owned companies.

Furthermore, the average value of Intellectual Capital (IC) for state-owned companies was recorded at 15.12269, indicating that state-owned companies have a moderate level of intellectual

resource management, but there are still companies with very low and very high levels of IC. The IC standard deviation value of 19.73981 shows significant variations between state-owned companies in terms of managing and developing their intellectual resources. Likewise, ESG scores recorded high variations, with a standard deviation of 0.261588 or 26.15%, indicating that there were companies with very good ESG practices, while others had no ESG practices at all. Overall, the results of this analysis provide an important picture of the performance, gender diversity, intellectual resources and ESG practices of state-owned companies, which can be a reference for decision making and further improvement.

Table 1 Descriptive Statistics Results

| LONG | GD | IC | ESG |
|---|---|---|---|
| Mean | 0.023093 | 0.077451 | 15.12269 |
| Median | 0.021400 | 0.000000 | 7.430000 |
| Maximum | 0.599300 | 0.400000 | 124.3870 |
| Minimum | -0.580300 | 0.000000 | 0.015000 |
| Std. Dev. | 0.095082 | 0.099812 | 19.73981 |
| Skewness | -1.274649 | 1.069733 | 2.639870 |
| Kurtosis | 23.10380 | 3.476833 | 11.57583 |
| Jarque-Bera | 3199.739 | 37.43650 | 790.2352 |
| Probability | 0.000000 | 0.000000 | 0.000000 |
| Sum | 4.318470 | 14.48340 | 2827.943 |
| Sum Sq. Dev. | 1.681533 | 1.853015 | 72476.81 |
| Observations | 177 | 177 | 177 |

Source: Eviews data processing 10, 2024

**Panel Data Estimation Model Selection Results**

The selection of the estimation model used in this research was based on the Chow and Hausman test results. The Chow test is used to determine whether the appropriate estimation model is the Common Effect Model (CEM) or the Fixed Effect Model (FEM). The results of the Chow test show that the probability of F in Equations I and II is 0.0014 and 0.0000, respectively, which are both smaller than the 0.05 significance level. Thus, the null hypothesis (H0) is rejected, and the selected model is the Fixed Effect Model (FEM) for both equations (Table 2 and Table 3).

Next, the Hausman test was carried out to compare the Fixed Effect Model (FEM) with the Random Effect Model (REM). The Hausman test results in Equation I show a probability value of 0.0037, which is smaller than 0.05, so H0 is rejected and the correct model is the Fixed Effect Model. Likewise in Equation II, where the probability of 0.0107 is also smaller than 0.05, which means H0 is rejected and the Fixed Effect Model is the right model. These results demonstrate consistency between the Chow and Hausman tests, which do not require the Lagrange Multiplayer test.

Based on the test results, it can be concluded that the appropriate estimation model for this analysis is the Fixed Effect Model (FEM) in both equations. These results indicate that the differences

between the individuals or entities analyzed are quite significant and need to be considered in the model, which makes FEM the most suitable model for this research.

Table 2 Chow Test Results (Equation I)

| Test | Statistic | d.f. | Prob. |
|---|---|---|---|
| Cross-section F | 2.296488 | (23,160) | 0.0014 |
| Cross-section Chi-square | 53.345350 | 23 | 0.0003 |

Source: Eviews data processing 10, 2024

Table 3 Chow Test Results (Equation II)

| Test | Statistic | d.f. | Prob. |
|---|---|---|---|
| Cross-section F | 6.761620 | (23,161) | 0.0000 |
| Cross-section Chi-square | 126.407027 | 23 | 0.0000 |

Source: Eviews data processing 10, 2024

Table 4 Hausman Test Results (Equation I)

| Test | Chi-Sq. Statistic | d.f. | Prob. |
|---|---|---|---|
| Cross-section random | 19.305908 | 2 | 0.0037 |

Source: Eviews data processing 10, 2024

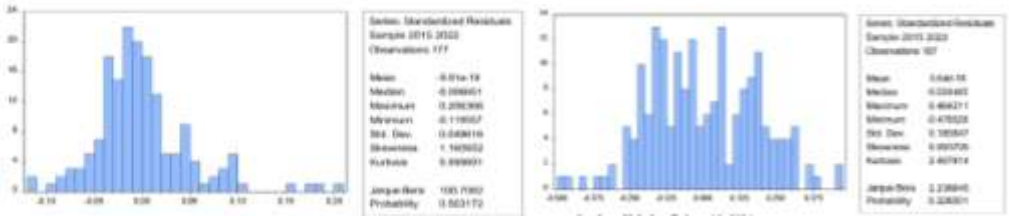
Table 5 Hausman Test Results (Equation II)

| Test | Chi-Sq. Statistic | d.f. | Prob. |
|---|---|---|---|
| Cross-section random | 11.196348 | 3 | 0.0107 |

Source: Eviews data processing 10, 2024

**Normality Test**

The Normality Test is carried out to detect whether the residuals have a normal distribution or not (Widarjono, 2007). If the Jarque-bera probability value is greater than $\alpha = 0.05$ then the residual has a normal distribution. However, if the Jarque-bera probability value is smaller than $\alpha = 0.05$ then the residual does not have a normal distribution.



Figures 1 and 2 Normality Test of Equations I and II

Based on the results of the normality test with logarithms in Equation II above, it can be seen that the probability value is 0.3265, which means it is greater than the significance value of 0.05, meaning the data can be said to be normally distributed.

The multicollinearity test was carried out to determine whether there was a correlation between the independent variables in the regression model. In this study, multicollinearity is considered not to occur if the correlation value between independent variables is <0.85. Based on the results in Table 6 for equation model I and Table 7 for equation model II, all correlation values between independent variables are below 0.85. This shows that there is no multicollinearity problem in the regression model used.

Table 6 Multicollinearity Test Results of Equation Model I

| | **GD** | **IC** | **ESG** |
|---|---|---|---|
| GD | 1.000000 | -0.175763 | 0.086015 |
| IC | -0.175763 | 1.000000 | -0.073286 |
| ESG | 0.086015 | -0.073286 | 1.000000 |

Source: Eviews data processing 10, 2024

Table 7 Multicollinearity Test Results for Equation Model II

| | **GD** | **IC** |
|---|---|---|
| GD | 1.000000 | -0.192595 |
| IC | -0.192595 | 1.000000 |

Source: Eviews data processing 10, 2024

Next, a heteroscedasticity test is carried out to ensure whether the variance of the residuals is constant. The test results are shown in Table 8 and Table 9, where the probability value of each variable (GD, IC, ESG) is greater than 0.05. Based on this, it is concluded that there is no heteroscedasticity problem in the two regression models.

Table 8 Heteroscedasticity Test Results for Equation Model I

| **Variable** | **Coefficient** | **Std. Error** | **t-Statistic** | **Prob.** |
|---|---|---|---|---|
| C | 0.156164 | 0.011965 | 13.05130 | 0.0000 |
| GD | 0.032093 | 0.085214 | 0.376619 | 0.7070 |
| IC | -0.000209 | 0.000429 | -0.488221 | 0.6261 |

Source: Eviews data processing 10, 2024

Table 9 Heteroscedasticity Test Results for Equation Model II

| **Variable** | **Coefficient** | **Std. Error** | **t-Statistic** | **Prob.** |
|---|---|---|---|---|
| C | 0.045119 | 0.014403 | 3.132615 | 0.0021 |
| GD | -0.046664 | 0.054397 | -0.857840 | 0.3923 |
| IC | -0.000317 | 0.000277 | -1.143693 | 0.2545 |
| ESG | -0.003627 | 0.024060 | -0.150732 | 0.8804 |

Source: Eviews data processing 10, 2024

Meanwhile, the autocorrelation test in this study is not required because the data used is panel data with a predominance of cross section characteristics. In accordance with the opinion of Nachrowi and Mahyus Eka (2016), the autocorrelation test is only relevant for time series data and can only produce one value in one regression model. Because time series properties are not dominant in this research, the autocorrelation test was not carried out.

**Data Analysis Results**

The panel data regression method is used to test the direct and indirect influence of independent variables on the dependent variable (Ghozali, 2016:237). In this research, regression model I is used to analyze the influence of Gender Diversity (GD) and Intellectual Capital (IC) on Environmental, Social, Governance (ESG), while regression model II is used to analyze the influence of GD, IC and ESG on the performance of companies listed on the BEI in 2015–2022. The results of model I regression analysis are displayed in Table 10 below:

Table 10 Results of Regression Analysis Model Equation I

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|---|---|---|---|---|
| C | 0.509541 | 0.024762 | 20.57762 | 0.0000 |
| GD | -0.146798 | 0.055974 | -2.622609 | 0.0093 |
| IC | 0.002390 | 0.000887 | 2.694205 | 0.0078 |

Source: Eviews data processing 10, 2024

Based on the table above, it is known that the GD variable has a significant negative effect on ESG, while IC has a significant positive effect on ESG. The constant value of 0.5095 shows that if GD and IC are considered zero, then ESG is worth 0.5095%. A GD coefficient of -0.1467 means that a decrease in GD will reduce ESG by 0.1467%, and an IC coefficient of 0.0023 indicates that an increase in IC will increase ESG by 0.0023%, assuming other variables are constant. The regression results for model II are shown in Table 4.13 below:

Table 11 Results of Regression Analysis Model Equation II

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|---|---|---|---|---|
| C | 0.500322 | 0.175632 | 2.848693 | 0.0051 |
| GD | -0.923787 | 0.335560 | -2.752976 | 0.0067 |
| IC | 0.000885 | 0.000399 | 2.218564 | 0.0279 |
| ESG | 1.954567 | 0.476565 | 4.101367 | 0.0001 |

Source: Eviews data processing 10, 2024

A constant value of 0.5003 indicates that if GD, IC and ESG are considered zero, then Company Performance is worth 0.5003%. The negative GD coefficient of -0.9237 indicates that reducing GD will improve company performance. Meanwhile, increasing IC has a positive effect on company performance by 0.0008%, and increasing ESG has a very significant effect on increasing company performance by 1.9545%. The results of the regression analysis of models I and II are the basis for interpreting causal relationships in the path analysis model.

**Hypothesis Testing Results**

The t test was carried out to determine the significant influence of each independent variable on the dependent variable. Results are displayed on.

**Table 12 Statistical Test Results for Model Equation I**

| Variable | Coefficient | Prob. |
|---|---|---|
| C | 0.509541 | 0.0000 |
| GD | -0.146798 | 0.0093 |

| | | |
|---|---|---|
| IC | 0.002390 | 0.0078 |

1. Hypothesis 1

   Gender Diversity has no significant effect on ESG (p = 0.0093 < 0.05), but the direction of the relationship is negative. These results indicate that “gender diversity significantly influences ESG” in a negative direction.

2. Hypothesis 2

   Intellectual Capital has a significant positive effect on ESG (p = 0.0078 < 0.05). That is, "intellectual property significantly contributes positively to ESG."

**Table 13 Statistical Test Results for Model Equation II**

| Variable | Coefficient | Prob. |
|---|---|---|
| C | 0.500322 | 0.0051 |
| GD | -0.923787 | 0.0067 |
| IC | 0.000885 | 0.0279 |
| ESG | 1.954567 | 0.0001 |

Source: Eviews data processing 10, 2024

3. Hypothesis 3

   Gender Diversity has a significant negative effect on company performance (p = 0.0067 < 0.05). This shows the importance of "gender diversity management" in the context of BUMN.

4. Hypothesis 4

   Intellectual Capital has a significant positive effect on company performance (p = 0.0279 < 0.05).

5. Hypothesis 5

   ESG has a significant effect on company performance (p = 0.0001 < 0.05), indicating that ESG is an important factor in driving BUMN performance.

**Sobel Test**

The Sobel test is used to test the significance of the mediation relationship, namely to see whether a mediating variable is able to bridge the influence between the independent and dependent variables significantly (Ghozali, 2016). In this research, the Sobel Test is used for two hypotheses related to ESG mediating variables in the relationship between Gender Diversity and Intellectual Capital on Company Performance. Testing was carried out using a statistical calculator from the site

6. Hypothesis 6: The influence of Gender Diversity on Company Performance is mediated by ESG

The coefficient value is –2.2102 and the significance value (two-tailed) is 0.0270 <0.05, indicating that there is a significant influence between Gender Diversity on Company Performance through ESG as a mediator. While gender diversity and ESG practices each have the potential to improve performance, their combination does not provide a significant synergistic effect. This

indicates that ESG does not significantly mediate the effect of Gender Diversity on company performance.

7. Hypothesis 7: The influence of Intellectual Capital on Company Performance is mediated by ESG

With a coefficient value of 2.1857 and a significance of 0.0288 < 0.05, these results indicate that Intellectual Capital influences company performance through ESG as mediation. Even though good intellectual capital enables more optimal implementation of ESG and has an impact on improving performance, ESG still does not significantly mediate the influence of Intellectual Capital on Company Performance.

**Discussion**

1. The Effect of Gender Diversity on Company Performance

   Research on the influence of gender diversity on company performance has produced mixed findings. Carter et al. (2010) stated that gender diversity does not have a significant influence on company financial performance. This finding is confirmed by Ellwood and Garcia-Lacalle (2017) who state that the presence of women on the board of directors has no effect on company performance. On the other hand, Joecks et al. (2017) found that the presence of women actually reduces company performance when there is no policy *critical mass* 30 percent, but improved performance when the policy was implemented. Meanwhile, research by Darmadi (2018) and Lam et al. (2018) shows that the presence of women on the board of directors significantly reduces company performance. These results indicate that the influence of gender diversity on company performance is not yet conclusive, especially in the context of BUMN in Indonesia, which may still face cultural resistance and structural challenges in its implementation.

2. The Influence of Intellectual Capital on Company Performance

   The research results show that Intellectual Capital (IC) has a significant effect on the performance of state-owned companies. A probability value of 0.0279 <0.05 indicates a significant relationship. Intellectual Capital which includes *human capital*, *structural capital*, And *relational capital* become an intangible asset that is very important in creating added value and operational efficiency for the company. Research by Chen et al. (2016), Pulic (2004), and Bontis et al. (2017) supports this finding by showing that companies with good IC management show better financial performance. In the context of BUMN, investment in IC development is a strategic step to maintain competitiveness and create sustainable competitive advantages. Support from stakeholder theory also reinforces the importance of IC in meeting stakeholder expectations.

3. The Influence of ESG on Company Performance

   Environmental, Social, and Governance (ESG) has been proven to have a significant influence on company performance. Based on the analysis results, a probability value of 0.0001 <

0.05 indicates a strong relationship between ESG practices and increased performance of state-owned companies. In line with stakeholder theory, companies are required to pay attention to the interests of the various parties involved. ESG is an important indicator for assessing a company's commitment to sustainability and social responsibility (Shakil et al., 2019). Hardiningsih et al. (2020) stated that environmental disclosure has a positive impact on financial performance. The same thing was also found by Mulpiani (2019), Shakil et al. (2019), and Pulino et al. (2022), who emphasize the importance of ESG in attracting investors, increasing customer loyalty and improving corporate reputation.

4. The Effect of Gender Diversity on Company Performance Mediated by ESG

   Research shows that ESG does not mediate the effect of gender diversity on company performance. The coefficient value is –2.2102 with a significance of 0.0270 <0.05 indicating that although the relationship is significant, the direction of the influence is negative. This shows that gender diversity has not been able to improve performance through ESG. This may occur due to suboptimal ESG practices or resistance to gender diversity at management level. Nugroho & Hersugondo (2022) state that ESG provides additional information that is not always included in financial reports, but if not managed well, gender diversity can actually create internal conflict or resistance which reduces the effectiveness of ESG and ultimately the company's financial performance.

5. The Influence of Intellectual Capital on Company Performance Mediated by ESG

   In contrast to gender diversity, Intellectual Capital has been proven to have a positive influence on company performance through ESG. The coefficient value is 2.1857 and the significance is 0.0288 <0.05 indicating the existence of a significant mediation relationship. Strong IC can support innovation and effective ESG management, improve operational efficiency and improve a company's reputation. Faradina (2016) and Bontis et al. (2017) shows that intellectual capital management has a positive effect on Return on Assets (ROA). In the context of BUMN, this is important evidence that the integration of IC and ESG can be a key strategy in achieving sustainability and superior performance. Stakeholder theory and the IC concept complement each other in supporting the interests of all stakeholders.

6. Stakeholder Theory as a Conceptual Framework

   Stakeholder theory is the main basis for understanding all the variables in this research. This theory emphasizes that the success of a company depends not only on shareholders, but also on all stakeholders, including employees, customers, society and the environment. Therefore, ESG practices, IC management and gender diversity must be seen as part of a strategy that supports achieving sustainable and accountable performance.

7. Practical Implications for State-Owned Companies

The findings of this research provide important insights for state-owned companies in Indonesia. Effective IC management and ESG implementation are proven to improve company performance, while the influence of gender diversity still requires special attention in the context of organizational culture and structure. Therefore, companies need to carry out an in-depth evaluation of their diversity strategy and ensure that the implementation of ESG and IC is carried out in an integrated manner so as to provide optimal results in the long term.

## CONCLUSION

This research aims to analyze the influence *Gender Diversity* And *Intellectual Capital* to *Company performance* mediated by *Environmental, Social, and Governance* (ESG) in state-owned companies in 2015–2022. Based on the results of the analysis, several things can be concluded as follows:

1. *Gender Diversity* has no effect on ESG, with a coefficient value of -0.146798 and a significance of 0.0093 <0.05.
2. *Intellectual Capital* has a significant effect on ESG, with a coefficient of 0.002390 and a significance of 0.0078 < 0.05.
3. *Gender Diversity* has no effect on company performance, with a coefficient of -0.923787 and a significance of 0.0067 <0.05.
4. *Intellectual Capital* has a significant effect on company performance, with a coefficient of 0.000885 and a significance of 0.0279 <0.05.
5. ESG has a positive effect on company performance, with a coefficient of 1.954567 and a significance of 0.0001 < 0.05.
6. *Gender Diversity* has no effect on company performance through ESG as a mediator, with a coefficient of –2.2102 and a significance of 0.0270 <0.05.
7. *Intellectual Capital* influence on company performance through ESG, with a coefficient of 2.1857 and a significance of 0.0288 < 0.05.

Only *Intellectual Capital* which has a significant influence on company performance, both directly and through ESG. These results provide an important contribution in understanding the role of female boards of directors and intellectual capital on BUMN performance, and can be the basis for developing strategic policies that support corporate sustainability.

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