THE EFFECT OF BOARD DIVERSITY ON CORPORATE SOCIAL RESPONSIBILITY (CSR) WITH INDUSTRY TYPE AS MODERATED VARIABLE

Diva Alviorizka, Wiwik Supratiwi

Accounting Department, Faculty of Economics and Business, Airlangga University
Email: diva.alviorizka-2017@feb.unair.ac.id

This research aimed to examine the effect of board diversity on corporate social responsibility moderated by industry type. Board diversity's characteristics used were gender diversity, age diversity, and educational background diversity. The population of this research was all companies listed on Indonesia Stock Exchange (IDX) and published their Sustainability Report on 2017-2019. The data was analyzed using multiple linear regression method and moderated regression analysis (MRA) method. This research found that only educational background diversity has a positive effect on CSR disclosure. In contrast, gender diversity has a negative effect, and age diversity did not affect CSR disclosure. Industry type successfully strengthens the positive effect educational background diversity has on CSR disclosure but failed to moderate the effect of diversity gender and diversity age on CSR disclosure.

Keywords: CSR, board diversity, industry type

INTRODUCTION

Corporate Social Responsibility (CSR) is a concept that states that companies have a responsibility to pay attention to economic, social, and environmental aspects in every decision taken. Companies that implement CSR properly get several benefits, both externally and internally (Mao, 2019). These external benefits include promoting environmental sustainability, increasing the accuracy of business forecast analysis, promoting social and economic growth developments, and increasing public awareness of the company and its products. Meanwhile, internal benefits can reduce the turnover of competent staff, increase customer and investor confidence, enhance the company's reputation, and promote the company's development.

Companies need good corporate governance to run effectively and efficiently. One aspect of good corporate governance is the diversity of the board of directors (Wang & Clift, 2009). Board diversity in the company can be seen from the spread of the diverse backgrounds of company board members, creating a different perspective for each member in making decisions (Ararat et al., 2010).

Board diversity can be viewed from the characteristics of each member of the board of directors, such as age, gender, ethnicity, and nationality (Hoang et al., 2016; Katmon et al., 2019) as well as tenure, educational background, and independence (Beji et al., 2020; Harjoto et al., 2015). One of the characteristics of board diversity studied is gender (Khan et al., 2019; Matitaputty & Davianti, 2020; Rao & Tilt, 2016). According to Bear et al. (2010), female board members can influence the analysis and decision-making processes. Meanwhile, age characteristics can also benefit the company, as older members are considered to have a lot of experience and wisdom. In comparison, younger members are active in corporate and community activities (Kang et al., 2007). Board diversity can improve monitoring, services, and strategies for implementing corporate governance through the educational background of members (Alshareef & Sandhu, 2015).

Board diversity also has the potential to cause conflict. Conflicts can occur when members do not believe in the concept of working in a diverse group so that they will face many challenges and dissatisfaction (Rao & Tilt, 2016). This condition is reinforced by Ferreira (2010) statement that the negative impact of board diversity on the company is due to communication problems between the company's board, the community, and shareholders. This difference makes board diversity still interesting to study because too many different individuals can lead to conflicts and differences of opinion in the disclosure of company reports, including CSR disclosures.

Many studies on board diversity and CSR disclosure have different results. Research by Hadya & Susanto (2018), Khan et al. (2019), and Yaseen et al. (2019) proves that gender-based board diversity has a significant positive effect on CSR. In contrast to the results of Ahmad et al. (2018) and Matitaputty & Davianti (2020), although there are relatively few female members on company boards, the effect on positive CSR disclosure is not significant.

Other characteristics such as age diversity also influence the company's CSR. Some evidence shows that age in board diversity does not have the same effect as other characteristics (Katmon et al., 2019; Khan et al., 2019). Therefore, until now, the age characteristics of company board members are still being debated. However, other studies have concluded that the age of the board of directors influences the company's CSR disclosure (Beji et al., 2020; Ibrahim & Hanefah, 2016).

Research on the effect of the educational background of the board of directors on CSR disclosure also shows inconsistent results. Rahindayati et al. (2015) said that education affects CSR disclosure, supported by the statement from Azam et al. (2019) and Hadya & Susanto (2018). This statement is inconsistent with other studies, which reveal that the educational background of the board of directors does not affect the company's CSR disclosure (Ahmad et al., 2018; Khan et al., 2019).

Based on the results of previous studies, there may be other variables between them (Rahindayati et al., 2015). Bayoud et al. (2012) said that the type of industry positively influences CSR disclosure. This is proven by several studies of the effect of board diversity on CSR disclosure which has different results in certain types of industries. Adeniyi & Fadipe (2018) concluded that board diversity does not significantly affect CSR disclosure in the food and beverage industry. In contrast to the research results in the banking industry, board diversity affects corporate CSR disclosure (Yaseen et al., 2018). In the hospitality industry, board diversity affects CSR implementation (Quintana-García et al., 2018). In the property, real estate, and construction industries, it was found that not all aspects of board diversity were significantly positively related to CSR disclosure (Purnomo & Rizki, 2020).

Khan et al. (2019) researched the effect of board diversity on CSR disclosure with age, gender, nationality, ethnicity, education level, educational background, and tenure. This study uses the variables of gender, age, and educational background as board diversity in its effect on CSR disclosure. This study also uses industry type as a moderating variable to strengthen the hypothesis.

LITERATURE REVIEW

Upper Echelon Theory

Upper echelon theory is a theory which states that decisions issued to companies are influenced by the characteristics of the company's top managers (Abatecola & Cristofaro, 2018; Hambrick, 2007; Hambrick & Mason, 1984; Quttainah, 2015). Through the upper echelon theory, Alazzani et al. (2017) and Hassan et al. (2020) explain that gender diversity, age diversity, and educational background diversity affect top managers' social and environmental behavior in decision making.

Corporate Social Responsibility Disclosure

CSR disclosure by Gray et al. (2001) is defined as a process of providing information to demonstrate the issue of social accountability that can be accounted for in various forms of media. The indicators used are from the Global Reporting Initiative (GRI). The GRI Standard consists of two standards, universal standards and topic-specific standards (GRI, 2016). The topic-specific standards consist of 23 disclosures on economic topics, 32 environmental topics, and 40 social topics. GRI Standard disclosures include core and comprehensive options, with 36 universal standard disclosures in core options and 59 universal standard disclosures in comprehensive options. Before the GRI Standard, there was GRI G4 which had 91 specific topic disclosures consisting of economic, environmental, and social topics. GRI G4 also has universal standard disclosures, so the total disclosure from GRI G4 is 125 disclosures.

Board Diversity

Board diversity is a concept of diversity in the composition of individuals on the board of directors. Diverse members of the board of directors can bring diverse perspectives in various approaches and increase the complexity of problem-solving and the quality of decision-making (Hillman, 2015). A diverse board of directors can also increase oversight of company managers' performance because the board's independence is getting stronger (Adams et al., 2015).

Gender Diversity

Gender diversity refers to the differences in characteristics between males and females. In this study, gender diversity is the presence of females and males board of directors in the company. Female board members usually have more experience as directors in smaller companies, are more active in asking questions and opinions, and are more serious in carrying out their duties (Ararat et al., 2010; Bear et al., 2010).

Age Diversity

Age is the length of an individual's life from birth (Santika, 2015). The age of members of a company's board of directors is usually closer to retirement age. This happens because older members have a lot of work experience and wisdom in making decisions. On the other hand, younger board members have less chance of becoming a board of directors, except members who are highly accomplished and experts in their fields.

Educational Background Diversity

Education has a strong influence on the knowledge of members of the board of directors in carrying out their duties, which also affects the policy and decision-making of the board of directors (Kagzi & Guha, 2018). Someone with a high education has a high ability to think about big and complex problems to help increase environmental awareness and awareness (Ahmad et al., 2018).

Industry Type

The industry type is related to operations, risks, and the ability to face business challenges (Astuti et al., 2019). A high-profile industry is an industry that has a high level of consumer visibility or a high level of competition. Meanwhile, low-profile industries do not get much public attention, even if they make mistakes or fail (Martin et al., 2018).

Hypothesis Development

Gender Diversity and CSR Disclosure

In line with the upper echelon theory, which states that the board of directors' characteristics can influence corporate decision-making (Abatecola & Cristofaro, 2018), gender diversity can influence CSR disclosure. Increasing gender diversity can strengthen the ability of the board of directors to make decisions and other issues from multiple perspectives and considerations (Gaurav et al., 2016). Males are considered more willing to take risks (Adams et al., 2015), but females are considered more concerned with the interests of others. Gender diversity can increase the influence of the board of directors on CSR disclosure, both according to the interests of the company and stakeholders (Harjoto et al., 2015).

Hypothesis 1: Gender diversity of the board of directors has a positive effect on CSR disclosure.

Age Diversity and CSR Disclosure

Age diversity in the board of directors creates values and views that are varied, unique, and based on experience (Khan et al., 2019). Generally, older members contribute a lot because of their experiences and opinions about their previous work. In comparison, younger members can bring new perspectives, are more innovative, and are open to ideas in line with the times (Ibrahim & Hanefah, 2016). Characteristics of age diversity can influence the decision to disclose CSR, per the upper echelon theory (Hambrick, 2007; Hambrick & Mason, 1984), which argues that the board of directors' characteristics influence decision-making.

Hypothesis 2: Age diversity of the board of directors has a positive effect on CSR disclosure.

Educational Background Diversity and CSR Disclosure

Educational background diversity will create an innovative and comprehensive organization with its vision and mission (Hassan et al., 2020). The diverse knowledge of each member will improve the company's performance and the quality of CSR disclosure (Hassan et al., 2020). Both of these things follow the upper echelon theory, which states that the educational characteristics of the board of directors can influence decision-making for the company (Hambrick, 2007; Quttainah, 2015).

Hypothesis 3: Educational background diversity of the board of directors has a positive effect on CSR disclosure.

Gender Diversity, Industry Type and CSR Disclosure

According to upper echelon theory (Abatecola & Cristofaro, 2018), gender diversity affects decision-making, CSR disclosure. Research by Ahmad et al. (2018) and Rao & Tilt (2016) show different findings for the effect of gender diversity on CSR disclosure, and this indicates that there are other variables between the two (Rahindayati et al., 2015). Bayoud et al. (2012) showed that one of the variables that positively affect CSR disclosure is the type of industry. This result is also supported by Azam et al. (2019), which states a positive influence of gender diversity on CSR disclosure in the Islamic finance industry.

Hypothesis 4a: Industry type strengthens the effect of gender diversity on CSR disclosure.

Age Diversity, Industry Type and CSR Disclosure

Age diversity as one of the board of directors' characteristics influences the disclosure of company information, in line with the upper echelon theory (Hambrick, 2007). Previous research had different results (Ibrahim & Hanefah, 2016; Khan et al., 2019), so that it was assessed that there were variables that were between age diversity and CSR disclosure (Astuti, 2017). Purwanto's research (2011) says that the type of industry positively influences CSR disclosure. This is supported by Lee et al. (2018) in their research, which concludes that age diversity in the restaurant industry positively affects CSR disclosure.

Hypothesis 4b: Industry type strengthens the effect of age diversity on CSR disclosure.

Educational Background, Industry Type, and CSR Disclosure

Upper echelon theory states that the diversity of educational backgrounds of the board of directors affects CSR disclosure (Hambrick & Mason, 1984; Quttainah, 2015). Previous research had different results (Hassan et al., 2020; Rahindayati et al., 2015), so it was assessed that variables played a role in the influence of educational background diversity on CSR disclosure (Hadya & Susanto, 2018). Based on Purwanto (2011), the type of industry has a positive effect on CSR disclosure, so it is considered that the type of industry can moderate the effect of diversity in the educational background on CSR disclosure. This is also supported by Yaseen et al. (2018), which conclude that the diversity of educational backgrounds positively affects CSR disclosure in the financial industry.

Hypothesis 4c: Industry type strengthens the effect of educational background diversity on CSR disclosure.

RESEARCH METHODOLOGY

Sampling and Data Collection

Data was obtained through the website of the IDX and the websites of the observed companies. Thus, the population includes all companies listed on IDX and published a sustainability report for the 2017-2019 period, with 245 observations.

CSR Disclosure

In this study, CSR disclosure is company information related to economic, environmental, and social issues in the annual report.

$$CSRD = \frac{\sum_{i=1}^{n} X_i}{N}$$

x_i : the number of CSR disclosures by the company (x_i = 1 if the item is disclosed, x_i = 0 if it is not)

N : total number of company disclosure items

Gender Diversity

Gender diversity in this study is the difference in gender or human identity that distinguishes their status in society. Gender diversity is calculated using the Blau index (Blau, 1977) by dividing it into females and males.

Age Diversity

Age diversity in this study represents differences in personality, attitudes and traits, abilities, work values, and behavior. This study measures age diversity using a Blau index dividing the categories into five: members aged less than 40 years, 40-49 years old, 50-59 years old, 60-69 years old, and over 70 years old (Beji et al., 2020).

Educational Background Diversity

The definition of educational background diversity in this study is an aspect that distinguishes the formal competence of each individual. Educational background is divided into five categories: finance, accounting, economics and management, engineering, law, and others (Rahindayati et al., 2015). This study formulates the diversity of educational backgrounds of the board of directors with the Blau index (Blau, 1977).

Industry Type

The industry type is the company's characteristics related to the fields and risks of the business, employees, and environment (Widiastuti et al., 2018). It is measured using the content analysis method by grouping industry into two categories.

Table 1: Industry Type Categories

Categories	**Industry Type (*TYPE*)**	**Score**
High-profile	Petroleum, mining, forest and paper, automobile, airlines, energy and fuel, transportation and tourism, agriculture, liquor, tobacco, and media communications.	1
Low-profile	Finance and banking, food, healthcare and personal products, hotels, buildings, textiles and apparel, retailers, medical supplies, property and home appliances.	0

Source(s): Martin et al. (2018)

Company Size

The company’s size in this study indicates the scale of the company's activities (Widiastuti et al., 2018). Company size can be computed from the total assets of the company.

Profitability

Profitability in this study is the company's ability to generate profits (Wigrhayani, 2019). Profitability is computed with earnings after tax divided by total assets.

RESULTS AND DISCUSSION

Descriptive Analysis

Table 2: Descriptive Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
CSRD	245	.088	1.000	.51423	.131842
GENDER	245	.000	1.000	.12468	.178966
AGE	245	.000	.750	.42407	.185229
EDU	245	.219	1.000	.68908	.219665
FIRMSIZE	245	24.754	34.999	30.98285	1.740999
ROA	245	.000	.527	.05324	.072641
Valid N (listwise)	245				

Normality Test

A normality test was carried out to ensure that the data were distributed normally. The normality test in this study used the Kolmogorov-Smirnov test, where the data was concluded to be normal if the asymp Sig. > 0.05.

Table 2: Normality Test

Before *Transform* Variabel		After *Transform* Variabel	
	Unstandardized Residual		Unstandardized Residual
N	245	N	190
Test Statistic	.084	Test Statistic	.060
Asymp. Sig. (2-tailed)	.000	Asymp. Sig. (2-tailed)	.089

Multicollinearity Test

A multicollinearity test was carried out to ensure that there was no correlation among all independent variables. The correlation between variables can be seen from the tolerance value and VIF when performing the multicollinearity test. If the tolerance value > 0.1 and VIF < 10, there is no correlation between the independent variables.

Table 3: Multicollinearity Test

	Tolerance	VIF
(Constant)		
GENDER	.945	1.058
AGE	.973	1.027
EDU	.919	1.088
TYPE	.840	1.190
FIRMSIZE	.861	1.161
ROA	.948	1.055

Heteroscedasticity Test

Heteroscedasticity test was carried out to ensure that there was no similarity of variance of the residuals among the variables in the study that could cause the results to be invalid. This study uses the glejser test, where the significance value must be > 0.05 so that the data can be free from heteroscedasticity.

Table 4: Heteroscedasticity Test

	T	Sig.
(Constant)	-.162	.872
GENDER	-1.549	.123
AGE	-.728	.467
EDU	-.185	.853
TYPE	-1.143	.255
FIRMSIZE	.584	.560
ROA	.121	.904

Autocorrelation Test

Autocorrelation test is performed to detect whether there is a correlation between variables. This study uses Durbin Watson analysis (DW test) to perform the autocorrelation test. Data is said to be free from autocorrelation if the DW value in the table is between -2 to 2.

Table 5: Autocorrelation Test

Durbin-Watson
1.804

Multiple Linear Regression Analysis (Model 1)

Table 6: Multiple Linear Regression Result (Model 1)

	Coefficients	t	Sig.
(Constant)	.983	4.753	.000
GENDER	-.045	-1.971	.050*
AGE	.040	.837	.404
EDU	.061	2.204	.029**
FIRMSIZE	-.024	-.633	.528
ROA	-.122	-1.525	.129
F Statistic			3.216
F Sig.			.008**
R^2			.080
Adjusted R^2			.055
Ket. Signifikansi *0,1; **0,05; ***0,01			

Regression equation:

$$\boldsymbol{Y = 0,983 - 0,045X_1 + 0,04X_2 + 0,061X_3 - 0,024X_5 - 0,122X_6 + \varepsilon}$$

Multiple Linear Regression Analysis (Model 2)

Table 7: Multiple Linear Regression Result (Model 2)

	Coefficients	T	Sig.
(Constant)	.931	4.345	.000
GENDER	-.041	-1.735	.084*
AGE	.037	.774	.440
EDU	.056	2.014	.045**
TYPE	-.013	-.946	.346
FIRMSIZE	.015	-.373	.709
ROA	-.120	-1.503	.135
F Statistic			2.827
F Sig.			.012**
R^2			.085
Adjusted R^2			.055
Ket. Signifikansi *0,1; **0,05; ***0,01			

Regression equation:

$$\boldsymbol{Y = 0,931 - 0,041X_1 + 0,037X_2 + 0,056X_3 - 0,013X_4 + 0,015X_5 - 0,12X_6 + \varepsilon}$$

Analisis *Moderated Regression Analysis*

Table 8: Moderated Regression Analysis Result

	Coefficients	T	Sig.
(Constant)	.865	3.989	.000
GENDER	-.013	-.385	.700
AGE	.080	1.213	.227
EDU	.004	.093	.926
TYPE	.017	.384	.701
FIRMSIZE	-.001	-.028	.978
ROA	-.157	-1.911	.058
GENDER*TYPE	-.046	-.943	.347
AGE*TYPE	-.125	-1.288	.200
EDU*TYPE	.123	2.187	.030**
F Statistic			2.643
F Sig.			.007**
R^2			.117
Adjusted R^2			.073
Ket. Signifikansi *0,1; **0,05; ***0,01			

MRA equation:

$$\boldsymbol{Y = 0,865 - 0,013X_1 + 0,08X_2 + 0,004X_3 + 0,017X_4 - 0,001X_5 - 0,157X_6 - 0,046X_1X_4 - 0,125X_2X_4 + 0,123X_3X_4 + \varepsilon}$$

Gender Diversity and CSR Disclosure

Table 9: Hypothesis 1 T-Test

	Coefficients	t	Sig.
(Constant)	.971	4.749	.000
GENDER	-.037	-1.720	.087*
FIRMSIZE	-.026	-.695	.488
ROA	-.153	-1.902	.058*
R^2			.032
Adjusted R^2			.020
Significance *0,1; **0,05; ***0,01			

The significance value of 0.087 is less than 0.1, so it can be concluded that the effect of gender diversity on CSR disclosure is significantly negative. Hypothesis 1, which states that gender diversity has a significant positive effect on CSR disclosure, is rejected.

Age Diversity and CSR Disclosure

Table 10: Hypothesis 2 T-Test

	Coefficients	t	Sig.
(Constant)	.984	4.771	.000
AGE	.017	.379	.705
FIRMSIZE	-.030	.796	.427
ROA	-.145	-1.839	.067*
R^2			.024
Adjusted R^2			.010
Significance *0,1; **0,05; ***0,01			

The significance value of 0.705 is greater than 0.05. This means that age diversity has no significant positive effect on CSR disclosure. Hypothesis 2, which states that age diversity has a significant positive effect on CSR disclosure, is rejected.

Educational Background Diversity and CSR Disclosure

Table 11: Hypothesis 3 T-Test

	Coefficients	t	Sig.
(Constant)	.941	4.377	.000
EDU	.042	1.505	.034**
FIRMSIZE	-.021	-.541	.589
ROA	-.131	-1.546	.124
R^2			.029
Adjusted R^2			.015
Significance *0,1; **0,05; ***0,01			

The significance value of 0.034 is smaller than 0.05, so that the effect is a significant positive. Hypothesis 3 states that the diversity of educational backgrounds significantly affects CSR disclosure, so hypothesis 3 is accepted.

Results

Gender Diversity, Industry Type and CSR Disclosure

Based on the MRA, gender diversity moderated by industry type has a significance value of 0.347, so it can be concluded that the type of industry cannot moderate the relationship between gender diversity and CSR disclosure. Hypothesis 4a states that industry type can moderate the relationship of gender diversity to CSR disclosure, so Hypothesis 4a is rejected.

Age Diversity, Industry Type and CSR Disclosure

Age diversity moderated by industry type in the MRA has a significance value of 0.2, greater than 0.05, so that industrial type cannot moderate the relationship between age diversity and CSR disclosure. Based on these results, Hypothesis 4b regarding the type of industry moderating the effect of age diversity on CSR disclosure is rejected.

Educational Background Diversity, Industry Type and CSR Disclosure

On the diversity of educational backgrounds moderated by the type of industry, the significance value is 0.03. The type of industry can moderate the relationship between the diversity of educational backgrounds and CSR disclosure. Thus, Hypothesis 4c, which states that educational background diversity moderates CSR disclosure, is accepted.

Discussion

The Effect of Gender Diversity on CSR Disclosure

Upper echelon theory argues that gender diversity affects the information released by companies, in this case, CSR disclosure (Abatecola & Cristofaro, 2018). The significant negative effect of gender diversity on CSR disclosure can occur because females are still a minority on the board of directors, which can affect decision-making on the board of directors (Ahmad et al., 2018; Rahma & Aldi, 2020). In addition, most Indonesian people still believe that females should not be leaders, and when they become members of the board of directors, their opinions are not too important to be taken into consideration (Ahmad et al., 2018; Purnomo & Rizki, 2020).

Effect of Age Diversity on CSR Disclosure

According to the upper echelon theory (Hambrick, 2007), the characteristics of the age diversity of the board of directors will affect the company's information through CSR disclosure. Age diversity does not affect CSR disclosure can be caused by several things. The majority of companies in Indonesia have more board of directors aged over 50 years (Handajani et al., 2014), so the votes of younger members are in the minority. Katmon et al. (2019) also reveal that age differences can be problematic because older boards of directors tend to have less respect for the opinions of younger members.

The Effect of Educational Background Diversity on CSR Disclosure

Educational backgrounds diversity on CSR disclosure has a significant positive effect. The combination of business and non-business educational backgrounds forms a competent board of directors (Rahindayati et al., 2015) shown through CSR disclosure. Fernandez-Gago et al. (2018) also argue that education can influence the way of thinking of the board of directors, including considering the interests of the company, shareholders, and stakeholders. This explanation is in line with and supports the upper echelon theory.

Industry Type Moderates the Effect of Gender Diversity on CSR Disclosure

Industry type that does not moderate the effect of gender diversity on CSR disclosure can occur because some companies issue CSR disclosures to fulfill their responsibilities to the community and meet stakeholder demands (Urmila & Mertha, 2017). Gender diversity does not affect CSR disclosure according to the type of company industry because the board of directors prefers to adjust information that is preferred by the community and stakeholders rather than adjust information according to the industry type.

Industry Type Moderates Effect of Age Diversity on CSR Disclosure

Industry type cannot moderate the effect of age diversity on CSR disclosure. This can occur because social activists and the government pressure regarding environmental responsibility is only centered on certain companies (Nisak & Jaeni, 2019). The age of the board of directors does not affect the disclosure of CSR according to the type of industry because the board of directors is more concerned with how to respond from the activists and the government rather than issuing information appropriate to the type of industry of the company.

Industry Type Moderates the Effect of Diversity of Educational Background on CSR Disclosure

The industry type can moderate the diversity of educational backgrounds and its effect on CSR disclosure, possibly because many companies whose board of directors composition follow the company's industry. Thus, the board of directors contains members with a business education background and non-business, linear with industry type. The diversity of educational backgrounds facilitates the preparation of CSR disclosures whose information is to attract the attention of investors (Wigrhayani, 2019).

CONCLUSIONS AND SUGGESTIONS

Conclusions

Based on the results, it can be concluded that gender diversity has a significant negative effect on CSR disclosure. Age diversity does not have a significant positive effect on CSR disclosure, educational background diversity has a significant positive effect on CSR disclosure, and industry type cannot moderate the effect. Gender diversity and age diversity on CSR disclosure can moderate the effect of educational background diversity on CSR disclosure.

Suggestions

Companies are expected to consider the gender and age characteristics of the board of directors and support the diversity caused by these characteristics. In addition, further research is expected to add variables related to board diversity to strengthen the effect of board diversity on CSR disclosure.

REFERENCES

Abatecola, G., & Cristofaro, M. (2018). Hambrick and Mason's "Upper Echelons Theory": evolution and open avenues. *Journal of Management History*, *26*(1), 116–136. https://doi.org/10.1108/JMH-02-2018-0016

Adams, R. B., de Haan, J., Terjesen, S., & van Ees, H. (2015). Board diversity: Moving the field forward. *Corporate Governance: An International Review*, *23*(2), 77–82. https://doi.org/10.1111/corg.12106

Adeniyi, S. I., & Fadipe, A. O. (2018). Corporate Board Diversity and Sustainability Reporting: A Study of Selected Listed Manufacturing Firms in Nigeria. *Indonesian Journal of Sustainability Accounting and Management*, *1*(1), 43–50. https://doi.org/10.28992/ijsam.v2i1.52

Ahmad, N. B. J., Rashid, A., & Gow, J. (2018). Corporate board gender diversity and corporate social responsibility reporting in Malaysia. *Gender, Technology and Development*, *22*(2), 87–108. https://doi.org/10.1080/09718524.2018.1496671

Alazzani, A., Hassanein, A., & Aljanadi, Y. (2017). Impact of gender diversity on social and environmental performance: evidence from Malaysia. *Corporate Governance (Bingley)*, *17*(2), 266–283. https://doi.org/10.1108/CG-12-2015-0161

Alshareef, M. N., & Sandhu, K. (2015). Integrating Corporate Social Responsibility (CSR) into Corporate Governance Structure: The Effect of Board Diversity and Roles-A Case Study of Saudi Arabia. *International Journal of Business and Management*, *10*(7). https://doi.org/10.5539/ijbm.v10n7p1

Ararat, M., Aksu, M., & Cetin, A. T. (2010). *Impact of Board Diversity on Boards' Monitoring Intensity and Firm Performance: Evidence from the Istanbul Stock Exchange*. *90*(216). https://doi.org/10.2139/ssrn.1572283

Astuti, E. P. (2017). Pengaruh Diversitas Dewan Direksi terhadap Nilai Perusahaan pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Periode 2008-2011. *KREATIF : Jurnal Ilmiah Prodi Manajemen Universitas Pamulang*, *4*(2), 159–179.

Astuti, Oktavianus, R. A., & Augustine, Y. (2019). Pengaruh Pengungkapan Corporate Social Responsibility Dan Kinerja Terhadap Nilai Perusahaan Dengan Tipe Industri Sebagai Variabel Moderasi. *Jurnal Magister Akuntansi Trisakti*, *5*(2), 185–202. https://doi.org/10.25105/jmat.v5i2.5074

Azam, M., Khalid, M. U., & Zia, S. Z. (2019). Board diversity and corporate social responsibility: the moderating role of Shariah compliance. *Corporate Governance (Bingley)*, *19*(6), 1274–1288. https://doi.org/10.1108/CG-01-2019-0022

Bayoud, N. S., Kavanagh, M., & Slaughter, G. (2012). An Empirical Study of the Relationship between Corporate Social Responsibility Disclosure and Organizational Performance: Evidence from Libya. *International Journal of Management and Marketing Research*, *5*(3), 69–82.

Bear, S., Rahman, N., & Post, C. (2010). The Impact of Board Diversity and Gender Composition on Corporate Social Responsibility and Firm Reputation. *Journal of Business Ethics*, *97*(2), 207–221. https://doi.org/10.1007/s10551-010-0505-2

Beji, R., Yousfi, O., Loukil, N., & Omri, A. (2020). Board Diversity and Corporate Social Responsibility: Empirical Evidence from France. *Journal of Business Ethics*. https://doi.org/10.1007/s10551-020-04522-4

Blau, P. M. (1977). A Macrosociological Theory of Social Structure. *American Journal of Sociology*, *83*(1), 26–54. https://doi.org/10.1086/226505

Fernández-Gago, R., Cabeza-García, L., & Nieto, M. (2018). Independent directors' background and CSR disclosure. *Corporate Social Responsibility and Environmental Management*, *25*(5), 991–1001. https://doi.org/10.1002/csr.1515

Ferreira, A. A. (2010). Review of: Genre relations: Mapping culture. *Journal of English for Academic Purposes*, *9*(3), 242–244. https://doi.org/10.1016/j.jeap.2009.06.001

Ferrero-Ferrero, I., Fernández-Izquierdo, M. Á., & Muñoz-Torres, M. J. (2015). Age diversity: An empirical study in the board of directors. *Cybernetics and Systems*, *46*(3–4), 249–270. https://doi.org/10.1080/01969722.2015.1012894

Gaurav, D., Seema, S., Dawar, G., & Singh, S. (2016). Corporate Social Responsibility and Gender Diversity : A Literature Review. *Journal of IMS Group*, *13*(1), 61–71.

Gray, R., Javad, M., Power, D. M., & Sinclair, C. D. (2001). Social and environmental disclosure and corporate characteristics: A research note and extension. *Journal of Business Finance and Accounting*, *28*(3–4), 327–356. https://doi.org/10.1111/1468-5957.00376

GRI. (2016). GRI - 101: Landasan 2016. *Global Reporting Initiative*. https://www.globalreporting.org/standards/media/1529/bahasa-indonesia-gri-101-foundation-2016.pdf

Hadya, R., & Susanto, R. (2018). Model Hubungan Antara Keberagaman Gender, Pendidikan Dan Nationality Dewan Komisaris Terhadap Pengungkapan Corporate Social Responsibility. *Jurnal Benefita*, *3*(2), 149–160. https://doi.org/10.22216/benefita.v3i2.3432

Hambrick, D. C. (2007). Upper echelons theory: An update. *Academy of Management Review*, *32*(2), 334–343. https://doi.org/10.5465/AMR.2007.24345254

Hambrick, D. C., & Mason, P. A. (1984). Upper Echelons : The organization as a reflection of its top managers. *Academy of Management Review*, *9*(2), 193–206.

Handajani, L., Subroto, B., T., S., & Saraswati, E. (2014). Does Board Diversity matter on Corporate Social Disclosure? An Indonesian Evidence. *Journal of Economics and*

Sustainable Development, *5*(9), 8–16. https://iiste.org/Journals/index.php/CEIS/article/view/12131

Harjoto, M., Laksmana, I., & Lee, R. (2015). Board Diversity and Corporate Social Responsibility. *Journal of Business Ethics*, *132*(4), 641–660. https://doi.org/10.1007/s10551-014-2343-0

Hassan, L. S., Saleh, N. M., & Ibrahim, I. (2020). Board Diversity, Company's Financial Performance and Corporate Social Responsibility Information Disclosure in Malaysia. *International Business Education Journal*, *13*(1), 23–49.

Hillman, A. J. (2015). Board diversity: Beginning to unpeel the onion. *Corporate Governance: An International Review*, *23*(2), 104–107. https://doi.org/10.1111/corg.12090

Hoang, T. C., Abeysekera, I., & Ma, S. (2016). Board Diversity and Corporate Social Disclosure: Evidence from Vietnam. *Journal of Business Ethics*, *151*(3), 833–852. https://doi.org/10.1007/s10551-016-3260-1

Ibrahim, A. H., & Hanefah, M. M. (2016). Board diversity and corporate social responsibility in Jordan. *Journal of Financial Reporting and Accounting*, *14*(2), 279–298. https://doi.org/10.1108/jfra-06-2015-0065

Kagzi, M., & Guha, M. (2018). Board demographic diversity: a review of literature. *Journal of Strategy and Management*, *11*(1), 33–51. https://doi.org/10.1108/JSMA-01-2017-0002

Kang, H., Gray, S. J., & Cheng, M. (2007). Corporate Governance and Board Composition: diversity and independence of Australian boards. *Corporate Governance: An International Review*, *15*(2), 194–207.

Katmon, N., Mohamad, Z. Z., Norwani, N. M., & Farooque, O. Al. (2019). Comprehensive Board Diversity and Quality of Corporate Social Responsibility Disclosure: Evidence from an Emerging Market. *Journal of Business Ethics*, *157*(2), 447–481. https://doi.org/10.1007/s10551-017-3672-6

Khan, I., Khan, I., & Senturk, I. (2019). Board diversity and quality of CSR disclosure: evidence from Pakistan. *Corporate Governance (Bingley)*, *19*(6), 1187–1203. https://doi.org/10.1108/CG-12-2018-0371

Lee, W. S., Sun, K. A., & Moon, J. (2018). Application of upper echelon theory for corporate social responsibility dimensions: Evidence from the restaurant industry. *Journal of Quality Assurance in Hospitality and Tourism*, *19*(3), 387–414. https://doi.org/10.1080/1528008X.2017.1421492

Mao, W. (2019). The Status of Corporate Social Responsibility. *Asian Business Research*, *4*(3), 21–26. https://doi.org/10.20849/abr.v4i3.683

Martin, R., Yadiati, W., & Pratama, A. (2018). Corporate Social Responsibility Disclosure and Company Financial Performance: Do High and Low Profile Industry Moderate the Result? *Indonesian Journal of Sustainability Accounting and Management*, *2*(1), 15–24. https://doi.org/10.28992/ijsam.v2i1.42

Matitaputty, J. S., & Davianti, A. (2020). Does broad gender diversity affect corporate social responsibility disclosures? *JEMA: Jurnal Ilmiah Bidang Akuntansi Dan Manajemen*, *17*(1), 35–50. https://doi.org/10.31106/jema.v17i1.3612

Nisak, K., & Jaeni. (2019). Faktor Penentu Pengungkapan Corporate Social Responsibility (Studi Empiris pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia). *Dinamika, Akuntansi, Keuangan Dan Perbankan*, *8*(1), 36–50.

Purnomo, D. W., & Rizki, A. (2020). Board diversity and corporate social responsibility disclosure in the property, real estate and construction sectors. *International Journal of Innovation, Creativity and Change*, *13*(4), 727–744.

Purwanto, A. (2011). Pengaruh Tipe Industri, Ukuran Perusahaan, Profitabilitas, Terhadap Corporate Social Responsiblity. *Universitas Diponegoro*, *8*(1), 12–29.

Quintana-García, C., Marchante-Lara, M., & Benavides-Chicón, C. G. (2018). Social responsibility and total quality in the hospitality industry: does gender matter? *Journal of Sustainable Tourism*, *26*(5), 722–739. https://doi.org/10.1080/09669582.2017.1401631

Quttainah, M. A. (2015). Upper Echelon Theory: Role of Community and Strategy. *International Journal Of Innovation And Economic Development*, *1*(3), 35–44. https://doi.org/10.18775/ijied.1849-7551-7020.2015.13.2004

Rahindayati, N. M., Ramantha, I. W., & Rasmini, N. K. (2015). Pengaruh Diversitas Pengurus

Pada Luas Pengungkapan Corporate Social Responsibility. *E-Jurnal Ekonomi Dan Bisnis Universitas Udayana*, *05*(4), 312–330.

Rahma, A. A., & Aldi, F. (2020). The Importance of Commissioners Board Diversity in CSR Disclosures. *International Journal of Economics Development Research (IJEDR)*, *1*(2), 136–149.

Rao, K., & Tilt, C. (2016). Board Composition and Corporate Social Responsibility: The Role of Diversity, Gender, Strategy and Decision Making. *Journal of Business Ethics*, *138*(2), 327–347. https://doi.org/10.1007/s10551-015-2613-5

Santika, I. G. P. N. A. (2015). Hubungan Indeks masa Tubuh (IMT) dan Umur Terhadap Daya Tahan Umum (Kardiovaskuler) Mahasiswa Putra Semester II Kelas A Fakultas Pendidikan Olahraga dan Kesehatan IKIP Balik Tahun 2014. *Jurnal Pendidikan Kesehatan Rekreasi*, *151*(Jurnal Pendidikan Kesehata), 42–47.

Sekaran, U., & Bougie, R. (2016). *Research Methods for Business: A Skill-Building Approach* (Seventh ed). John Wiley & Sons.

Urmila, N. M. D., & Mertha, M. (2017). Tipe Perusahaan Memoderasi Ukuran Perusahaan, Profitabilitas, Kepemilikan Asing Pada Pengungkapan Csr Perusahaan Manufaktur Di Bei. *E-Jurnal Akuntansi Universitas Udayana*, *19*(3), 2145–2174.

Wang, Y., & Clift, B. (2009). Is there a "business case" for board diversity? *Pacific Accounting Review*, *21*(2), 88–103. https://doi.org/10.1108/01140580911002044

Widiastuti, H., Utami, E. R., & Handoko, R. (2018). Pengaruh Ukuran Perusahaan, Tipe Industri, Growth, dan Media Exposure terhadap Pengungkapan Tanggung Jawab Sosial Perusahaan (Studi Empiris pada Perusahaan yang Terdaftar di Bursa Efek Indonesia Tahun 2014-2015). *Riset Akuntansi Dan Keuangan Indonesia*, *3*(2), 107–117. https://doi.org/10.23917/reaksi.v3i2.6745

Wigrhayani, N. N. S. W. (2019). Pengaruh Tipe Industri, Growth, Profitabilitas, dan Ukuran Perusahaan terhadap Pengungkapan Corporate Social Responsibility. *Jurnal Ilmu Dan Riset Akuntansi*, *8*(8), 1–21.

Yaseen, H., Al-Amarneh, A., & Iskandrani, M. (2018). Board diversity and social responsibility:

The case of Jordanian commercial banks. *Corporate Ownership and Control*, *15*(2), 139–147. https://doi.org/10.22495/cocv15i2c1p1

Yaseen, H., Iskandrani, M., Ajina, A., & Hamad, A. (2019). Investigating the relationship between board diversity & corporate social responsibility (CSR) performance: Evidence from France. *Academy of Accounting and Financial Studies Journal*, *23*(4), 1–11.