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The Effect Of The Characteristics Of The Board Of Commissioners On The Financial Performance Of Manufacturing Companies In The Consumer Goods Industry Sector Listed On The Indonesian Stock Exchange (IDX)

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ABSTRACT

This study aims to analyze the effect of (1) educational background of the board of commissioners on financial performance, (2) age diversity of the board of commissioners on financial performance, (3) gender diversity of the board of commissioners on financial performance, (4) tenure diversity of the board of commissioners on financial performance a manufacturing company in the consumer goods industry sector listed on the Indonesia Stock Exchange in 2018-2021. The population in this study are manufacturing companies in the consumer goods industry sector which are listed on the Indonesia Stock Exchange. Meanwhile, the sample in this study was determined using the purposive sampling method, namely manufacturing companies in the consumer goods industry sector for four consecutive years from 2018-2021 so that a total sample of 49 companies was obtained with 164 observation data. The analytical method used is multiple linear regression method using the IBM SPSS Statistics 20 for windows program. The results of this study conclude that (1) the educational background of the board of commissioners has no significant effect on the company's financial performance, (2) age diversity has a positive and significant effect on the company's financial performance, (3) gender diversity has a positive and significant effect on the company's financial performance which is proxied by ROA. While gender diversity of the board of commissioners proxied by ROE has a positive and not significant effect on the company's financial

performance, (4) tenure diversity has a positive and significant effect on the company's financial performance.

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INTRODUCTION

In Indonesia, manufacturing companies have a strong future, because of their rapid development and their largest gross domestic product (GDP) (Rahmawati et al., 2020). The number of companies here, such as the consumer goods industry, has intense competition between one company and another. Therefore, expertise in finance, operations, marketing, and manpower is required. Not only that, companies are also required to provide financial performance reports that are useful for future decisions and for investors (Angga, 2022).

Financial performance is a company's financial statements that explain how the company's condition will be used as material in considering the company to carry out further actions or the community in assessing the smooth running of the company before taking action (Kartin & Dewi, 2019). Measuring company performance has advantages, for example it is used as a benchmark to evaluate the efficiency and effectiveness of the company, and ensures that every activity carried out is in line with company goals (Lukman Surjadi, 2021).

Common scales used by companies in measuring company performance are ROA and ROE (Wijaya, 2019). ROA is used to assess how far a company excels in creating net profit by utilizing all of its assets. Furthermore, ROE is the company's ability to generate profits based on capital ownership.

Financial factors such as the level of profitability, solvency liquidity, company activities and non-financial factors such as the characteristics of the board of commissioners are the company's performance which is measured using ROA and ROE. The board's role is to provide oversight and feedback to the board of directors. the board of commissioners does not have direct power over the company.

The board of commissioners has the core task of controlling the perfection and quality of reporting information on government activities, therefore, the position of the board of commissioners is so important to guarantee the principal interests of oversight companies because the number of board members increases for the better, the input or opportunities that the director gets are lost again.

The board within the company has a complex role due to carrying out various tasks. The board not only precludes the exercise of negative management that allows a company to fail, but also proves the company is working as hard as it can to deliver value to all stakeholders (Prasetyo & Dewayanto, 2019).

Based on the background above, the researcher is interested in conducting research entitled "The Influence of the Characteristics of the Board of Commissioners on Financial Performance in Manufacturing Companies Listed on the Indonesian Stock Exchange in 2018-2021".

LITERATURE REVIEW

Agency Theory

Agency theory itself recognizes the agency relationship in which one party (principal) delegates work to another party (agent)(Susmanto et al., 2021). The existence of this difference can trigger agency costs (Setiawan, 2018). The condition when the principal does not have sufficient information about the agent's performance and how the agent's efforts contribute to the company's actual results due to an imbalance of information, thus creating two problems because the principal finds it difficult to supervise and control the actions agent is called information imbalance. This is due to agency problems. Based on agency theory it can be explained that the existence of a board of commissioners often provides support to shareholders compared to the interests of company management.

Signaling Theory

Signaling theory explains that basically companies use information to give positive or negative signals to users. The reason for the emergence of signaling theory is that companies are motivated to disclose information from outside parties, because there is information between management and external parties (Bahriyah & Triyono, 2022). In this case the information handled by providing important information to parties from outside the company. External parties such as shareholders must be provided with complete, accurate, relevant and timely information, because this information is an analytical tool used by capital market investors in making investment decisions.

Company Performance

Company performance is the achievement of the company in a certain time unit which is presented in the annual financial report. A company as an organization must have goals that can be achieved and the company also certainly wants to realize the interests of all members of the company. This is of course measured by the company's financial performance (Maulana, 2020). An overview of financial results is very important for investors to know the company's financial gains and losses. This affects the good and bad of the company's financial condition which describes the performance for a certain time.

In this study the financial factor used is Profitability by using ROA and ROE measurements. In contrast, the non-financial factors used in this study are the characteristics of the board of commissioners measured by educational background, age, gender and tenure diversity.

Board Of Commissioners

The board of commissioners is the main person who directs and controls the company's management system (Dewi et al., 2018). The important task of the board is to protect

group interests and prevent shareholder takeover, therefore the board must be serious in carrying out its duties (14 & Serly, 2022). The board of commissioners is not allowed to participate in determining operational decisions. The rank of members of the board of commissioners and main commissioners is the same. As primus inter pares, the main commissioner has the task of managing the activities of the board of commissioners. In a company, the board has a complex role because it carries out various tasks.

Educational Background

Education is intellectual capital that allows members to be more productive and motivated to achieve goals and improve company performance (Sihombing & Kristiyono, 2018). Education plays an important role in creating reliable and competent human resources.

In the same way, the theoretical, conceptual and moral skills of human resources can be improved by having a high level of education (Wahyudi, 2015). This can improve the company's performance. The commissioners who have broad knowledge can easily come up with solutions to the various problems they face. The competency level also shows how well the individual thinking model works in its activities.

Age Diversity Board Of Commissioners

The seniority of the board of commissioners is also considered to be a factor that has an impact on the company's performance. Companies that employ commissioners from various senior groups have the advantage of being able to create a dynamic workforce, with multiple generations and multiple beneficial experiences (Fathonah, 2018). Different elderly groups create an environment in which each gelation brings success Belced skills and talents (Ramadhanty et al., 2019). Commissioners who are older are considered to have more time and experience. Meanwhile, commissioners who have older age can be assumed to have the ability to solve strategic problems of corporate risk and are more motivated to work more actively.

Gender Diversity Board Of Commissioners

Gender is where the distribution is between men and women in occupying positions on the board of commissioners. The presence of women on the board of commissioners may be able to improve company performance, because women are more likely not to take actions that are too risky, this is of course inversely proportional to men, they are more tend to prefer riskier decisions. Women tend to avoid risks, while men tend to like to take risks. Given that the board's role is to make decisions, this is likely to have an impact on decision making.

Tenure Diversity Board Of Commissioners

Tenure Diversity also includes the characteristics of the board of commissioners which are considered to be able to improve company performance. Where tenure diversity describes a mix of new board members and members of the board of commissioners who have served for a long time (Amin & Sunarjanto, 2016).

The Effect of Educational Background of the Board of Commissioners on the Company's Financial Performance

The board is responsible for monitoring management on behalf of the shareholders. Therefore, shareholders must ensure that the board has properly trained members so that their investment does not go to waste. Managers with a financial education are more familiar with achieving good financial results and can avoid earnings management practices. Related to the institutional theory of the board with an economic background, they understand better how to grow the company's financial performance, which is one of the goals of the directors themselves.

H1: The educational background of the Board of Commissioners is significant for the company's performance in Manufacturing Companies listed on the Indonesia Stock Exchange.

The Effect of Age of the Board of Commissioners on the Company's Financial Performance

The age of the board greatly affects the company's performance. The more mature the age of the board determines the decisions to be taken, especially in the implementation of fiscal aggressive activities, at a mature and experienced age, control of fiscal aggressiveness can be carried out with rules set by the government

H2: The Board of Commissioners' Age Diversity is significant to the company's performance in Manufacturing Companies listed on the Indonesia Stock Exchange.

The Effect of Gender Diversity of the Board of Commissioners on the Company's Financial Performance

The gender distribution of board members is expected to be able to share a lot of information owned by the organization so that important decisions can be made based on this information which can improve the company's financial performance.

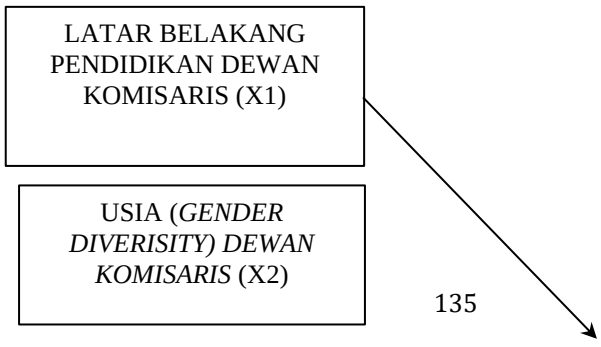
H3: Gender Diversity of the Board of Commissioners is significant to the company's performance in Manufacturing Companies listed on the Indonesia Stock Exchange.

The Effect of Tenure Diversity of the Board of Commissioners on the Company's Financial Performance

The length of term of office of members of the board of commissioners can create members of the board who are experienced, highly skilled and committed. this shows that a long tenure will affect the company's financial performance.

H4: The tenure diversity of the Board of Commissioners is significant for the company's performance in Manufacturing Companies listed on the Indonesia Stock Exchange.

Conceptual Framework



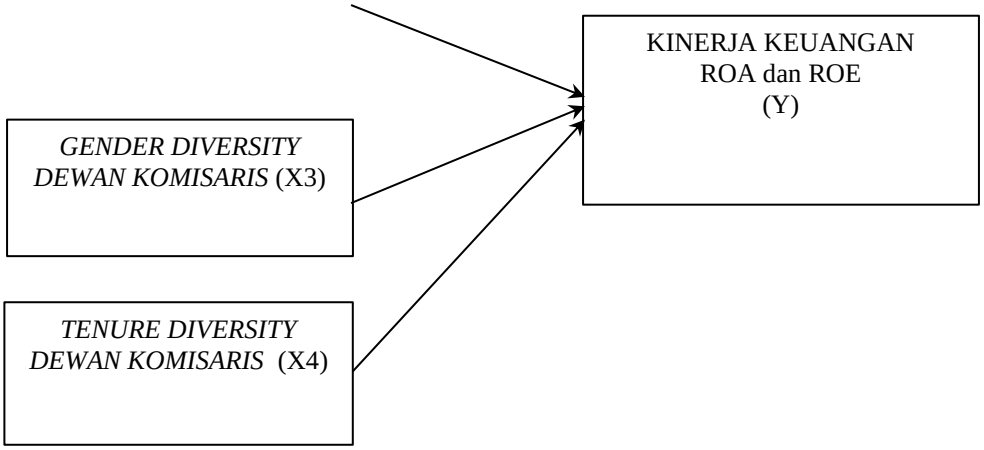


Figure 1 Conceptual Framework

RESEARCH METHODS

Types Of Research

The research conducted in this research is quantitative research. This type of quantitative research is causal quantitative research, namely research looking for causal relationships (Sugiyono, 2013)

Object Of Research

In this study, the objects of research are manufacturing companies listed on the Indonesia Stock Exchange from 2018-2021.

Population

The population is all the objects studied. In this study, the population is all manufacturing companies in the consumer goods industry sector that are listed on the Indonesia Stock Exchange in 2018-2021.

Sample

The selection of the research sample was taken using a purposive sampling method, namely a sampling method based on an assessment of some of the characteristics of the sample members in accordance with the research intent. The sampling criteria in this study are manufacturing companies in the consumer goods industry sector that are listed on the Indonesia Stock Exchange for the 2018-2021 period. The following is the withdrawal of sampling in this study.

A. Go Public company listed on the Indonesia Stock Exchange.
B. Has audited the company's 2018-2021 financial statements.
C. Companies that present data related to research variables and have complete data according to research needs.

Based on the above criteria, the sample for this study were 49 manufacturing companies in the consumer goods industry sector which were listed on the Indonesia Stock Exchange.

Operational Definition and Sample Measurement

In this study, the independent variables were used, namely the educational background of the board of commissioners, age diversity of the board of commissioners, gender diversity of the board of commissioners, and tenure diversity of the board of commissioners, while the dependent variable in this study was financial performance as measured using the ROA and ROE ratios. The following is a table of operational definitions and variable measurements in this study:

Table 1. Operational Definition and Variable Measurement

Variabel	Indicator	Formulas	Scale
Dependent	Return on Asset	$ROA = \frac{Earning\ after\ tax}{Total\ assets}$	Ratio
	Return on Equity	$ROE = \frac{Earning\ after\ tax}{Total\ Equity}$	Ratio
	Education Background	$LBEK = \frac{komisaris\ pendidikan\ ekonomi}{jumlah\ dewan\ komisaris}$	Ratio
Independent	*Age diversity*	$RUDK = \frac{TUDK}{BDK}$	Ratio
	Gender diversity	$Gender\ Diversity\ = \frac{Julmlah\ Komisaris\ Pelrelmpulan}{Julmlah\ Delwan\ Komisaris}$	Ratio
	Tenure Diversity	Tenure = Maximal tenure – Minimum tenure	Ratio

Multiple Linear Regression Models

Multiple regression analysis in this study was used to examine the effect of the independent variables, namely the educational background of the board of commissioners, the age diversity of the board of commissioners, the gender diversity of the board of commissioners, and the tenure diversity of the board of commissioners on the dependent variable, namely the company's financial performance. The regression equation model to be tested is as follows:

Models 1

$$ROA = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + e$$

Models 2

$$ROE = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X3 + e$$

RESULT AND DISCUSSION

Descriptive Statistics

Data processing was carried out by the IBM SPSS version 20 program. After going through the data collection and processing process, a statistical description will be presented for an easy description of each research variable, as shown in the table below:

Table 2. Table Of Descriptive Statistics

Variabell	N	Minimulm	Maximulm	Melan	Std. Delviation
Variabel Dependen					
ROA	166	-6,83%	20.38%	5,09%	5,98%
ROEl	164	-13,06%	28,99%	9,20%	8,65%
Variabel Independen					
Education Background		0	1,00	0,5406	0,31530
Agel Divelrsity		35,00	80,33	57.89	7.88278
Gelndelr Divelrsity		0	0,75	0,1508	0,19988
Telnulrel Divelrsity		1,00	5,00	1,9639	1,29283

source: SPSS 20

Table 2 shows that the average ROA in companies in the consumer goods industry sector is 5.09%. The highest value was 19.89% for the company PT Industri Jamu and Farmasi Sido Tbk in 2018, while PT FKS Food Sejahtera Tbk obtained the lowest ROA value in 2018 of -6.80%. For the ROA standard deviation value of 6.00%, this shows that it is greater than the average. Furthermore, the average ROE of companies in the consumer goods industry sector listed on the Indonesia Stock Exchange is 9.20%. The highest ROA value was 28.99% for the company PT Industri Jamu and Farmasi Sido Tbk in 2020, while PT Inti Agri Resources Tbk obtained the lowest ROA value in 2020 of -13.06%. For the ROA standard deviation value of 8.65%, this shows that it is greater than the average.

In Table 2 it can be seen that there is one manufacturing company in the consumer goods industry sector where 100% of the members of the board of commissioners have an educational background in economics. However, there are companies that do not have members of the board of commissioners with an educational background in economics. However, on average there are 54.06% of the members of the board of commissioners who have education in economics in manufacturing companies in the consumer goods industry sector which are listed on the Indonesia Stock Exchange (IDX).

The average age of the board of commissioners in manufacturing companies in the consumer goods industry sector listed on the Indonesia Stock Exchange is around 57 years old. The highest age on the board of commissioners is 80 years. Meanwhile, the lowest age for the board of commissioners is 35 years, indicating that there is a significant age difference between the board of commissioners, this means that the board of commissioners comes from various different age groups with some members being younger and some older.

Shows that 75% of manufacturing companies in the consumer goods industry sector listed on the Indonesia Stock Exchange have a female board of commissioners. Meanwhile, there are still manufacturing companies in the consumer goods industry sector that do not have a female board of commissioners at all. It can be concluded that 15.08% of manufacturing companies in the consumer goods industry sector have a female board of commissioners.

The average tenure diversity of the board of commissioners in manufacturing companies in the consumer goods industry sector listed on the Indonesia Stock Exchange is 1.9 years. This shows that the maximum term of office for the board of commissioners in a manufacturing company in the consumer goods industry sector is 5 years. Meanwhile, the minimum term of office for the board of commissioners in a manufacturing company in the consumer goods industry sector is 1 year. This indicates that there are several new commissioners who have served as boards of commissioners.

Classic Assumption Test

According to Ghozali (2018), determining the accuracy of a model requires testing several classic assumptions: normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test. The normality test aims to test whether the dependent and independent variables are normally distributed. The Kolmogorov-Smirnov statistical test was used in this study. In order for the research to be normally distributed, outlier data must be removed. Outliers are extreme observation data that are very different from other observations (Makkulau Makkulau et al., 2010). The way to detect outlier data is by casewise diagnostic. If the standardized residual value is ≥ 2.5, the data can be categorized as outlier data (Mangeka & Rahayu, 2020). Outlier detection results in model 1 found 30 outlier data so that the sample used was 166. Then, the outlier detection results in model 2 found 32 outlier data so that the sample used was 164. Following are the results of the normality test.

Table 3. Normality Test Results

One-Sample Kolmogorov-Smirnov

Unstandardized Residual		
	Model 1 (ROA)	**Model 2 (ROE)**
Telst Statistic	0,514	0,452
Asymp.Sig. (2taileld)	0,954	0,987

Source: SPSS 20

In table 3 the significance value of model 1 is 0.954 so that the data is said to be normally distributed. Then in model 2 the significance value is 0.987 so that the data can be said to be normally distributed.

The multicollinearity test aims to test whether a regression model finds a correlation between independent (independent) variables. The regression model is considered good if there is no correlation between the independent variables. Detecting the presence or absence of multicollinearity can be determined using the tolerance value and variance inflation factor (VIF). The cutoff value that is generally used to indicate the absence of multicollinearity is the tolerance value (T) > 0.10 or the variance inflation factor (VIF) value < 10 (Ghozali, 2018). The following are the results of the multicollinearity test.

Table 4. Multicollinearity Test Results

Variabel	**Model 1 (ROA)**		**Model 2 (ROE)**	
	Tolerance	**VIF**	**Tolerance**	**VIF**
Education Background	0,955	1,047	0,961	1,040
Agel divelrsity	0,906	1,104	0,907	1,102
Gelndelr divelrsity	0,936	1,068	0,941	1,063
Telnulrel divelrsity	0,972	1,029	0,970	1,031

source: SPSS 20

In table 4 it can be seen in model 1 and model 2 showing that the tolerance value (T) is more than 0.10 and the variance inflation factor (VIF) is less than 10. So this can be concluded for all regression models there is no multicollinearity.

The heteroscedasticity test aims to test whether there are variance differences from one observation to another in a regression model. According to (Ghozali, 2018), a good regression model is one that shows homoscedasticity or does not show heteroscedasticity. To detect the presence or absence of heteroscedasticity is to do a test using a Scatter Plot. The following are the results of the heteroscedasticity test.

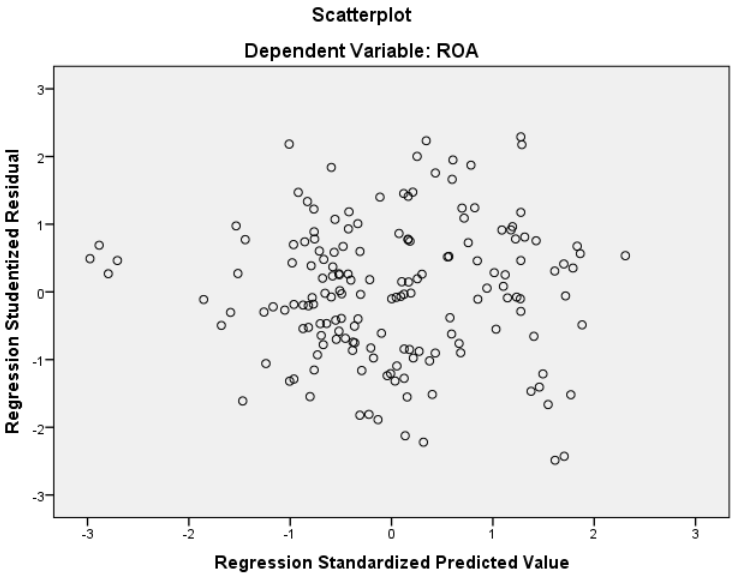


Figure 2 Scatterplot Graph ROA

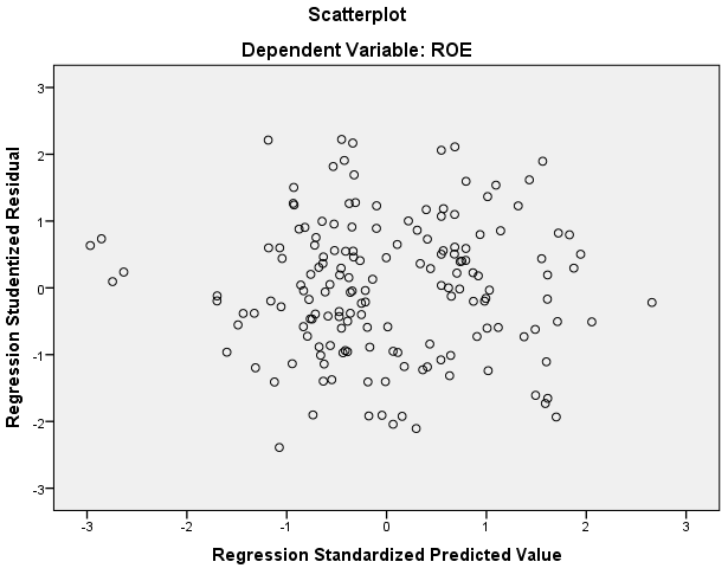


Figure 3 Scatterplot Graph ROE

To ensure whether there are symptoms of heteroscedasticity, you can do the white test. The White test is performed by regression of the squared residuals of the independent variables, the squares of the independent variables, and the multiplication of the interactions between the independent variables (Ghozali, 2018). The decision making criterion is to look at

the value of c^2. If c^2 count <c^2 table then it can be said that there is no heteroscedasticity but if c^2 count > c^2 table then it can be said that there is heteroscedasticity. Here are the results of the white test.

Table 5. White Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Modell 1 (ROA)	0,331	0,109	0,087	5,71994
Modell 2 (ROEl)	0,316	0,100	0,077	8,31845

Source:SPSS 20

In table 5 the R square value in model 1 is 0.109 and the research sample in model 1 is 166, so the value of c2 count = 166 x 0.109 = 165.891. The df value in model 1 is 166 – 1 = 165. Based on the Chi square table, the value of c2 table with df 165 is 195.973. So it can be concluded that there are no symptoms of heteroscedasticity because it fulfills the requirements 165.891 (c2count) <195.973 (c2table). Then in model 2 the R square value is 0.316 and the research sample in model 2 is 164, so the calculated c2 value = 164 x 0.316 = 51.824. The df value in model 2 is df = 164 – 1 = 163, based on the Chi square table, the value of c2 table with df 163 is 193.791. So it can be concluded that there are no symptoms of heteroscedasticity because it fulfills the requirements 52.824 (c2 count) < 193.791 (c2 table).

The autocorrelation test is used in linear regression models to test whether there is a correlation between a spurious error in period t and a spurious error in (previous) period t-1. The Durbin Watson test (DW) is a method that can be used to detect the presence or absence of autocorrelation. If dU < DW < 4 – dU, it can be said that there is no autocorrelation. The following are the results of the autocorrelation test.

Table 6. Autocorrelation Test Results

Durbin Watson	
Model 1 (ROA)	**Model 2 (ROE)**
0,852	1,009

source: SPSS 20

In table 6 it can be seen that the DW value in model 1 is 0.852 with a dL value of 1.6971 and a dU value of 1.7957. The results show 0 < DW < dL, namely 0 < 1.6971 < 1.7957. So it can be concluded that in model 1 there is a positive autocorrelation. Then it can be seen that the DW in model 2 is 1.009 with a dL value of 1.6950 and a dU of 1.7948. The results show 0 < DW < dL, namely 0 < 1.6950 < 1.7948. So it can be concluded that in model 2 there is a positive autocorrelation.

Therefore, to find out whether there is autocorrelation , we proceed with the Cochrane Orcutt test. The Cochrane Orcutt test can overcome autocorrelation in the regression model. The following are the results of the Cochrane Orcutt test (Nurfitri Imro'ah, 2020).

Table 7. Orcutt's Cochrane Test Results

Durbin Watson	
Model 1 (ROA)	**Model 2 (ROE)**
1,971	1,948

source: SPSS 20

Table 7 shows that the DW value in model 1 is 1.971 with a dL value of 1.6971 and a dU value of 1.7957. The results show dU < DW < 4-dU, namely 1.7957 < 1.971 < 2.2043. Then, the DW value in model 2 is 1.948 with a dL value of 1.6950 and a dU value of 1.7948. The results show dU < DW < 4-dU, namely 1.7948 < 1.948 < 2.305. So it can be concluded that in model 1 and model 2 there are no autocorrelation symptoms.

Multiple Linear Regression Models

Multiple linear regression analysis is used to determine the direction and how much influence the independent variables have on the dependent variable. The following are the results of multiple linear regression analysis tests.

Table 8. Results of Multiple Linear Regression Analysis

	Models 1			Models 2		
	Unstandarlized B	**t**	**Sig.**	**Unstandarlized B**	**t**	**Sig.**
Constantan	-7,042	-1,870	0,063	-10,646	-1,957	0,052
Education background	-0,842	-0,583	0,561	0,188	-0,090	0,928
Age diversity	0,178	3,005	0,003	0,305	3,521	0,001
Gender diversity	4,074	1,770	0,079	2,823	0,842	0,401
Tenure diversity	0,837	2,395	0,018	0,851	1,696	0,092
Adjusted R2	0,109			0,100		
F	4,944			4,404		
Sig	0,001			0,002		

Source:SPSS 20

Based on the results of the processed data in table 8, the linear regression equation can be formulated as follows.

ROA = -7.042 – 0.842Education background + 0.178age + 4.074gender + 0.837tenure + e

The constant coefficient value is -7.042. This means that if the factors affecting the company's financial performance are proxied by zero ROA, the ROA value reaches -7.042. The coefficient of educational background is -0.842. This is if the percentage of commissioners who are educated in economics will reduce the ROA value by -0.842. The age diversity coefficient value is 0.178. This is if the board of commissioners has an older age, it will increase the ROA value by 0.178. The gender diversity coefficient value is 4.074. This means that if there are many female commissioners, it will increase the ROA value by 4.074. The tenure diversity coefficient value is 0.837. This is if the board of commissioners has a higher tenure, it will increase the ROA value by 0.837.

Based on the results of the processed data in table 8, the linear regression equation can be formulated as follows.

ROE = -10.646 + 0.188Educational background + 0.305age + 2.823gender + 0.851tenure + e

The constant coefficient value is -10.646. if the factors that influence the company's financial performance as a proxy for ROE are zero, the ROE value reaches -10.646. The educational background coefficient is 0.188. This shows that the percentage of commissioners' education in the economic field will reduce the ROE value by 0.188. The age diversity coefficient value is 0.305. This is if the board of commissioners is older, it will increase the ROE value by 0.305. The gender diversity coefficient value is 2.823. This is when there are many female commissioners, the ROE value is reduced by 2.823. The tenure diversity coefficient value is 0.851. This is if the members of the board of commissioners who have a long tenure will increase the ROE value by 0.851.

Determination Coefficient Test (R^2)

In table 8 model 1 the value of Adjust R Square (R2) is obtained at 0.109. This means that the independent variables, namely the educational background of the board of commissioners, age diversity of the board of commissioners, board of commissioners' gender diversity, and tenure diversity of the board of commissioners affect the company's financial performance as a proxy for ROA of 10.9% and the remaining 89.1% is determined by other variables which were not analyzed in this study. Then based on table 8 it is known that in model 2 the adjusted R Square (R2) value is obtained at 0.100. This means that the independent variables, namely the educational background of the board of commissioners, age diversity of the board of commissioners, gender diversity of the board of commissioners, and tenure diversity of the board of commissioners affect the company's financial performance as a proxy for ROE of 10% and the remaining 90% is determined by other variables not analyzed in this study. this research.

Statistical F Test

Based on table 8 it is known that in model 1 the ROA variable as the dependent variable has a significance value of 0.001 where the value of 0.001 <0.05. This means that there is a significant influence between the independent variables on the dependent variable. Then based on table 8 it is known that in model 2 for the ROE variable as the dependent variable it

has a significance value of 0.002 where the value is 0.002 <0.05. This means that there is a significant influence between all the independent variables on the dependent variable. So it can be concluded that this research is feasible to be tested.

Hypothesis Test (T Test)

In the first hypothesis it is known that the coefficient of educational background of the board of commissioners is negative, namely -0.842 with a tcount of -0.583, a significance of 0.561 > 0.05. This means that the educational background of the board of commissioners has no significant effect on the financial performance proxied by roa. Then, it is known that the coefficient of educational background of the board of commissioners in model 2 has a positive value of 0.188 with a tcount of -0.090, a significance of 0.928 > 0.05. This means that the educational background of the board of commissioners has no positive and insignificant effect on the company's financial performance as a proxy for roe. So it can be concluded that the h1 hypothesis is rejected.

The second hypothesis in this study is known that the coefficient of age diversity for the board of commissioners is positive, namely 0.178 with a thitulng value of 3.005, a significance of 0.003 <0.05. This shows that the board of commissioners' age diversity has a significant effect on financial performance as a proxy for ROA. Furthermore, in table 8 it is known that the significance value of age diversity for the board of commissioners is 0.001 <0.05. This means that age diversity has an effect on financial performance which is proxied by ROE. So it can be concluded that the H2 hypothesis is accepted.

The third hypothesis is that the board of commissioners' gender diversity coefficient is positive, namely 4.074 with a tcount of 1.770, a significance of 0.079 <0.05. This shows that gender diversity of the board of commissioners has a positive and significant effect on financial performance as a proxy for ROA. So it can be concluded that the H3 hypothesis is accepted. Then, in table 8 it is known that the board of commissioners' gender diversity coefficient is positive, namely 2.823 with a tcount of 0.842, a significance of 0.401 > 0.05. This means that the gender diversity of the board of commissioners has no significant effect on the company's financial performance as a proxy for ROE. So it can be concluded that H3 is rejected.

The fourth hypothesis based on table 8 shows that the board of commissioners' tenure diversity coefficient is positive, namely 0.837 with a tcount of 2.395, a significance of 0.018 <0.05. This shows that tenure diversity of the board of commissioners has a positive and significant effect on the company's financial performance proxied by ROA. Furthermore, in table 8 it is known that the significance value is 0.092 <0.05. This means that tenure diversity affects the company's financial performance as a proxy for ROE. So it can be concluded that the H4 hypothesis is accepted.

The effect of the Educational Background of the Board of Commissioners on Financial Performance in Manufacturing Companies in the Consumer Goods Industry Sector Listed on the Indonesia Stock Exchange

The findings in this study indicate that the educational background of the board of commissioners has no significant effect on the company's financial performance as a proxy for ROA and ROE. So it can be concluded that the H1 hypothesis is rejected. The reason for the H1 hypothesis being rejected is because the educational background of the members of the board

of commissioners cannot show that education in the economic field does not necessarily improve the financial performance of manufacturing companies in the consumer goods industry sector which are listed on the Indonesia Stock Exchange (IDX).

The results of the research are in line with research conducted by Sihombing & Kristiyono (2018) that the educational background of the board of commissioners is not sufficient to describe the attitude, experience, or expertise of the board of commissioners in operating a company. In addition, this research is also in line with Sumartini (2020) that the various educational backgrounds of the board of commissioners have no effect on financial performance. However, this research is not in line with the research of Gustiana & Darmayanti (2021) which revealed that the educational background of the board of commissioners has a significant effect on the company's financial performance. The higher the education level of the board of commissioners, the company's performance also increases.

The Effect of Age Diversity of the Board of Commissioners on Financial Performance in Manufacturing Companies in the Consumer Goods Industry Sector Listed on the Indonesia Stock Exchange.

The results of this study mean that the board of commissioners' age diversity has a positive and significant effect on the company's financial performance as a proxy for ROA and ROE. So it can be concluded that the H2 hypothesis is accepted.

The results of this study are in line with research conducted by Alqatamin et al (2017) that there is an effect of age on improving company financial performance. In addition, this research is in line with research conducted by Rinanda & Yulli Ardiany (2020) that the age diversity of the board of commissioners has an effect on company performance. This means that the higher the age of the board of commissioners will be able to determine the decisions to be taken. However, the results of this study are not in line with research conducted by Lestari dkk (2020) and Amin & Sunarjanto (2016) that the age distribution on the board has a negative effect on financial performance.

The Effect of Gender Diversity of the Board of Commissioners on Financial Performance in Manufacturing Companies in the Consumer Goods Industry Sector Listed on the Indonesia Stock Exchange.

The findings in this study indicate that gender diversity of the board of commissioners has a positive and significant effect on financial performance as proxied by ROA. However, it is different from subsequent research that gender diversity of the board of commissioners has not been able to influence the financial performance of manufacturing companies in the consumer goods industry sector listed on the Stock Exchange. Indonesian securities proxied by ROE.

According to Sari Kusumastuti et al (2007) said that the gender diversity of the board of commissioners has no effect on company performance as measured by profitability. However, the results of this study are in line with research conducted by Susanti et al (2018), which states that gender diversity has a significant effect on company performance. This shows that the existence of a higher gender can encourage increased company capacity by creating profits.

The Effect of Tenure Diversity of the Board of Commissioners on Financial Performance in Manufacturing Companies in the Consumer Goods Industry Sector Listed on the Indonesia Stock Exchange.

The findings in this study are that the existence of tenure diversity has a positive and significant effect on financial performance which is proxied by ROA and ROE. This means that tenure diversity allows the board of commissioners to build strong relationships with executive management and other stakeholders, so that communication and collaboration become more effective.

This is not in line with research conducted by Karinda et al (2022) which revealed that the term of office of the board of commissioners has no effect on company performance. However, this research is in line with research by Gianti (2016) which revealed that the longer tenure of the board of commissioners has an effect positive and significant to company performance. This can provide additional experience, increased competency, and greater commitment to the responsibilities of the board of commissioners.

CONCLUSION

This study explains whether the educational background of the board of commissioners, age diversity of the board of commissioners, gender diversity of the board of commissioners, and tenure diversity of the board of commissioners can affect the financial performance of manufacturing companies in the consumer goods industry sector listed on the Indonesia Stock Exchange (IDX) during 2018-2021. to know. this study uses ROA and ROE to measure financial performance. Several conclusions were drawn based on the analysis and discussion of the results of hypothesis testing. The educational background of the board of commissioners has no significant effect on the company's financial performance. Age diversity of the board of commissioners has a positive and significant impact on the company's financial performance. Gender diversity of the board of commissioners has a positive and significant impact on financial performance proxied by ROA, but gender diversity proxied by ROE has an insignificant positive impact on company financial performance. tenure diversity of the board of commissioners has a positive impact on the company's financial performance.

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