

THE EFFECT OF CAPITAL STRUCTURE, SALES GROWTH, AND BOARD GENDER DIVERSITY ON FINANCIAL PERFORMANCE WITH FIRM SIZE AS A MODERATOR

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Abstrak

Penelitian ini bertujuan untuk menganalisis pengaruh struktur modal, pertumbuhan penjualan, dan diversitas gender dewan direksi terhadap kinerja keuangan perusahaan, dengan ukuran perusahaan sebagai variabel moderasi. Penelitian ini dilatarbelakangi oleh fenomena menurunnya laba bersih pada beberapa perusahaan makanan dan minuman yang terdaftar di Bursa Efek Indonesia selama periode 2020–2024, yang mengindikasikan penurunan kinerja keuangan akibat ketidakseimbangan antara pendapatan dan beban. Variabel independen dalam penelitian ini terdiri dari struktur modal, pertumbuhan penjualan, dan diversitas gender dewan direksi, sedangkan ukuran perusahaan berfungsi sebagai variabel moderasi, dan kinerja keuangan berfungsi sebagai variabel dependen. Penelitian ini menggunakan pendekatan kuantitatif dengan menggunakan regresi linier berganda dan analisis regresi termoderasi (MRA). Populasi penelitian ini adalah seluruh 94 perusahaan yang terdaftar di Bursa Efek Indonesia pada subsektor makanan dan minuman, dan sampel sebanyak 33 perusahaan dipilih menggunakan teknik purposive sampling. Hasil penelitian menunjukkan bahwa struktur modal, pertumbuhan penjualan, dan diversitas gender dewan direksi berpengaruh signifikan terhadap kinerja keuangan. Ukuran perusahaan memoderasi pengaruh struktur modal dan pertumbuhan penjualan terhadap kinerja keuangan, tetapi tidak memoderasi pengaruh diversitas gender dewan direksi terhadap kinerja keuangan. Temuan ini berimplikasi bagi manajemen perusahaan dan investor dalam mempertimbangkan faktor internal perusahaan untuk meningkatkan kinerja keuangan dan memperkuat daya tarik investasi.

Kata kunci: Struktur modal, pertumbuhan penjualan, keragaman gender dewan direksi, ukuran perusahaan, kinerja keuangan

Abstract

This study aims to analyze the influence of capital structure, sales growth, and board gender diversity on company financial performance, with firm size as a moderating variable. This

research is motivated by the phenomenon of declining net profits in several food and beverage companies listed on the Indonesia Stock Exchange during the 2020–2024 period, indicating a decline in financial performance due to an imbalance between revenue and expenses. The independent variables in this study consist of capital structure, sales growth, and board gender diversity, while firm size serves as a moderating variable, and financial performance serves as the dependent variable. This study uses a quantitative approach using multiple linear regression and moderated regression analysis (MRA). The population of this study is all 94 companies listed on the Indonesia Stock Exchange in the food and beverage subsector, and a sample of 33 companies was selected using a purposive sampling technique. The research results show that capital structure, sales growth, and board gender diversity significantly influence financial performance. Firm size moderates the effect of capital structure and sales growth on financial performance, but does not moderate the effect of board gender diversity on financial performance. These findings have implications for company management and investors in considering internal company factors to improve financial performance and strengthen investment attractiveness.

Keywords: *Capital structure, sales growth, board gender diversity, firm size, financial performance*

A. INTRODUCTION

Financial performance plays a vital role in illustrating a company's overall condition, including its stability and future growth prospects. It is reflected in the firm's capacity to fulfill financial obligations, cover interest expenses, and consistently generate profits. For investors, financial statements serve as the primary reference point to evaluate the strengths and weaknesses of a company before making investment decisions. Consequently, financial performance is not only an indicator of internal achievements but also a key determinant of investor trust in the capital market.

The recent decline in financial performance among food and beverage companies listed on the IDX between 2020 and 2024 highlights issues that deserve deeper investigation. For instance, PT Indofood CBP Sukses Makmur Tbk experienced a drop in net income in 2024 despite higher sales, largely due to rising sales and distribution costs. Similar conditions were reported by PT Siantar Top Tbk and PT Bisi Internasional Tbk, both of which faced notable decreases in net profit. These cases point to a mismatch between sales growth and expense burdens, ultimately weakening financial outcomes. Such challenges directly affect business sustainability and reduce the attractiveness of these companies to potential investors.

Previous research has produced mixed findings on how capital structure, sales growth, and gender diversity on boards impact financial performance. Some studies conclude that capital structure positively affects financial results, while others argue the effect is negligible. Similarly, although sales growth is often considered a positive driver of performance, other studies reveal it can be offset by high operating costs. The role of board gender diversity is also contested, with certain

scholars emphasizing its benefits for decision-making quality, whereas others find its contribution to financial outcomes limited.

To address these inconsistencies, the present study introduces firm size as a moderating factor. Firm size is expected to influence the extent to which capital structure, sales growth, and gender diversity affect financial performance. Larger firms typically have more resources to manage expenses efficiently, greater access to external financing, and stronger operational stability compared to smaller firms. Hence, firm size is anticipated to provide additional explanatory power for the variations identified in earlier studies.

B. METHOD

This research employs a quantitative approach aimed at examining how capital structure, sales growth, and board gender diversity influence financial performance, while also analyzing the moderating role of firm size. The study focuses on food and beverage companies listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period.

From a total population of 94 firms in this subsector, 33 companies were chosen as the sample using purposive sampling. This sampling technique was applied to ensure that only companies meeting specific criteria relevant to the study were included. The primary data source is the companies' annual financial reports published on the IDX.

The variables under investigation consist of:

- Independent variables: capital structure, sales growth, and board gender diversity.
- Moderating variable: firm size.
- Dependent variable: financial performance.

For data analysis, multiple linear regression was applied to test the direct impact of the independent variables on financial performance. In addition, Moderated Regression Analysis (MRA) was used to assess whether firm size strengthens or weakens the relationship between the independent variables and financial performance.

C. RESULTS AND DISCUSSIONS

The findings of this study reveal that capital structure does not have a significant effect on the financial performance of food and beverage companies. This suggests that the balance between debt and equity does not directly determine profitability levels. High debt obligations and interest expenses may instead put pressure on net income, reducing the role of capital structure in enhancing performance.

In contrast, sales growth shows a significant and positive impact on financial performance. Companies with higher sales growth tend to experience better profit opportunities, as expanding sales volumes and market reach serve as key drivers of financial success. This result highlights the importance of maintaining sales momentum in sustaining business performance.

Meanwhile, board gender diversity is found to have no meaningful influence on financial performance. Although female representation on boards can enhance inclusiveness and governance, the contribution to financial outcomes remains limited. One possible explanation is that the proportion of women in leadership positions within the sample companies is still too small to generate a measurable effect.

From a moderating perspective, firm size demonstrates a varying role. Firm size strengthens the relationship between sales growth and financial performance, showing that larger firms can more effectively leverage increased sales due to greater resources, broader access to funding, and higher production capacities. On the other hand, firm size does not moderate the relationship between capital structure or board gender diversity and financial performance.

Overall, the results emphasize that sales growth remains the most consistent determinant of financial performance in the food and beverage sector, particularly when supported by the

advantages of larger firm size. In contrast, capital structure and gender diversity on boards appear less influential in directly shaping financial outcomes.

D. CONCLUSIONS

The study concludes that capital structure does not significantly affect the financial performance of food and beverage companies listed on the IDX. In contrast, sales growth has a strong positive impact, meaning that companies with higher sales growth generally achieve better financial results. On the other hand, board gender diversity does not show a significant contribution to financial performance.

From the moderating analysis, firm size is not found to strengthen the relationship between capital structure and board gender diversity with financial performance. However, it does reinforce the positive relationship between sales growth and financial performance, indicating that larger firms are more capable of optimizing sales growth to enhance profitability.

E. SUGGESTIONS

1. For company management: It is recommended not only to focus on capital structure and gender diversity but also to prioritize product innovation, digital transformation, and resilience against financial distress. These aspects are increasingly relevant in today's competitive business environment.
2. For companies with strong sales growth: Growth strategies should be supported by cost efficiency and continuous innovation to ensure that higher sales lead to improved profitability and sustainable financial performance.

3. For investors and stakeholders: The findings of this study can serve as a reference for evaluating a company's internal conditions, particularly in assessing the effectiveness of capital structure, leadership diversity, and growth potential based on firm size and industry characteristics.
4. For future researchers: It is suggested to broaden the scope of study by including different industries, longer observation periods, or additional variables. Potential variables such as financial distress, organizational agility, digital capability, or sustainability reporting quality may provide deeper insights into company performance in the digital and sustainable business era.

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