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Does Gender Diversity Moderator The Nexus Between Board Characteristics And Financial Performance?

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Abstract

The study's goal is to determine how board attributes like GEN, BSIZE, DUAL, and BI affect ROA for non-financial companies listed on the developing Palestine Stock Exchange (PSE) between 2016 and 2019. Multiple regression analysis was used to examine the relationship between board characteristics, gender diversity, and financial performance. Static panel data estimators with "pooled ordinary least squares (OLS), fixed effect, and random effect" were applied in this manner. Following a number of diagnostic tests, the OLS model was determined to be the best one. The findings demonstrate that DUAL and GEN have a strong and favorable connection with ROA. BSIZE and BI, however, have a favorable but negligible connection with ROA. More intriguingly, this study looks at how board characteristics and GEN interact to affect ROA. The most important finding is that GEN moderates the impact of board characteristic on ROA in a favorable way. The results of this study can alert responsible policymakers in developing nations, like Palestine, to innovative approaches that can result in better monitoring procedures and assist managers in boosting financial performance. For instance, businesses ought to be interested in having women on their board of directors.

Keywords *- Gender diversity, board size, board independence, CEO duality, financial performance, and Agency theory.*

1. Introduction

Corporate governance has gotten a lot of attention from practitioners, legislators, and academics over the past 20 years(Muhammad, Migliori, & Mohsni, 2023). Corporate governance has a significant impact on investors by giving them the information they need for guidance, oversight, support, and advancement of the decision-making process, according to prior research(Elgadi & Ghardallou, 2022). A more effective corporate governance structure is said to be important for any firm(Zhu, Husnain, Ullah, Khan, & Ali, 2022). Within the context of corporate governance and sustainable development, there has been considerable discussion in the literature regarding the associations between board of directors (BOD) qualities and firm profitability(Noja, Thalassinos, Cristea, & Grecu, 2021) .

The BOD serves a strategic purpose by outlining the organization's vision, mission, and goals(Kanakriyah, 2021). The (BOD) in particular performs numerous tasks, including It is clear that the BOD is crucial in ensur[1]ing that CEOs meet the expectations of their owners(Al Farooque, Buachoom, & Sun, 2020). Additionally, the BOD is in charge of creating relationships with stakeholders, formulating work policies, plans, programs, and goals; defining duties and authority for each corporate department; and establishing systems for performance evaluation(Kanakriyah, 2021). In order to help the board function efficiently, this

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study focuses on the qualities of the board of directors, such as board independence(Al Farooque et al., 2020). A strong independent board is one of the solutions to the agency problem by reducing costs and thereby improving financial performance(Shafeeq Nimr Al-Maliki, Salehi, & [2]Kardan, 2023). According to another study that explains how BOD characteristics like board size and independent board members exhibit predictive power on financial performance(Kyere & Ausloos, 2021). Positive financial performance outcomes, however, will boost investors' and creditors' faith in a company's operations(Noja et al., 2021). However, Brahma, Nwafor, and Boateng (2021) discovered that the dualism role has a strong negative relationship with company performance.
This study's objective is to investigate how BOD traits affect the financial performance of businesses in Palestine. In Palestine's distinctive institutional environment, this study revisits the relationship between BOD features and business success. From the standpoint of agency issues pertinent to a developing market economy, it does so. For companies listed in Palestine, the explanatory power of BOD characteristics on financial performance is specifically looked at. This is done to check for any new patterns in their relationships. There hasn't been a lot of research on gender diversity in emerging economy nations, despite the fact that there is a lot of research on the connection between gender diversity and financial success in mature economies(Unite, Sullivan, & Shi, 2019).

In BOD literature, board diversity has assumed a prominent role(Adeabah, Gyeke-Dako, & Andoh, 2019). Additionally, more women in board positions will promote responsible governance, competitiveness in the international market, and long-term sustainable transformation in the workplace(Brahma et al., 2021). Therefore, it demonstrates that having more women on the BOD decreases agency issues and improves businesses' sustainability through effective monitoring and management(Zhu et al., 2022). For more than a decade, public discussion, scholarly inquiry, and governmental policy have centered on the issue of whether gender diversity on BOD affects business performance(Duppati, Rao, Matlani, Scrimgeour, & Patnaik, 2020). After analyzing the literature, it is clear that the empirical works already published do not address this research purpose. In the case of the Palestine exchange, the impact of gender diversity and BOD characteristics on financial success was not looked at.

By examining whether the BOD's characteristics—particularly the participation of women—have an impact on listed businesses' non-financial performance. In the following respects, this study adds to the body of literature already in existence. In the Palestine exchange, I have, to the best of my knowledge, introduced for the first time the moderating impact of gender diversity in the link between BOD characteristics like board size, board independence, and dual role and financial success. While there is literature on gender diversity, there aren't many studies that demonstrate the significance of it for characteristics and how they affect financial performance. Additionally, look into how board independence, dual roles, and size affect financial performance. This study offers empirical proof that having a gender diverse board of directors improves a company's financial performance.
Following is the remainder of this essay: The theoretical framework is presented in section two; the data, the selected sample, and the variables are described in section four; the findings are examined in section five; the results are discussed in section six; and finally, the conclusions and implications of the study are presented in section seven. Section three also provides a brief review of the pertinent literature and the evolving hypotheses.

2. Review of literature and development of hypotheses

2.1 The relationship between board size and financial performance

The BOD is crucial in ensuring that executives meet the expectations of the owners by monitoring and supervising them(Al Farooque et al., 2020). A strong independent board is one of the solutions to the agency problem by decreasing costs and consequently enhancing financial performance, according to BOD's explanation of predictive power on financial performance(Kyere & Ausloos, 2021). Numerous research, including Abdeljawad and Masri (2020), claim that having a larger board of directors has a detrimental effect on the success of the company. Elgadi and Ghardallou (2022), among others, demonstrate how the BOD size negatively impacts banks' performance. Contrarily, it is asserted by(Al Farooque et al. (2020); Alabdullah et al. (2021); Kanakriyah (2021); Kyere and Ausloos (2021); Noja et al. (2021)), that a large board results in more experienced members who draw from a larger range of experiences, which can only improve firm performance. In addition, Pucheta-Martínez and Gallego-Álvarez (2020), found that big boards with a high proportion of independent and female directors have an increased tendency to raise company value, supporting agency and resource dependency approaches as well as the monitoring or supervising hypothesis. This result agree with (Khatib and Nour (2021); Zhu et al. (2022)) noted that board size has a significant positive impact on firms' sustainable performance. This outcome is consistent. According to Zhu et al. (2022), board size significantly improves a company's long-term performance. Additionally, Merendino and Melville (2019) indicated that board size has a beneficial impact on firm performance at lower board size levels and a negative one at larger board size levels. This conclusion emphasizes the need for the BOD to be a suitable size, but not too big, since a bigger boardroom does not always translate into better performance. This may be because there is a bigger probability that a board's directors will have obligations to other companies as their number increases. Taking into account the following hypothesis in light of the findings of earlier research studies, the size of the board and financial performance are related.

2.2 The relationship between board independence and financial performance

According toAl Farooque et al. (2020), the BOD is crucial in ensuring that CEOs meet the expectations of the owners. Independent directors' oversight responsibilities include not just keeping an eye on executives but also taking the required steps to remediate any errors they may make. Board independence (BI) is crucial for enhancing company success(Kao, Hodgkinson, & Jaafar, 2019; Shafeeq Nimr Al-Maliki et al., 2023). According toAl-Gamrh, Al-Dhamari, Jalan, and Afshar Jahanshahi (2020), BI is seen as an essential corporate governance tool for reining in management and defending the interests of minority shareholders. A substantial favorable relationship between BI and financial performance has been shown in earlier studies, such as those by (Al Farooque et al., 2020; Kanakriyah, 2021; Zhu et al., 2022). They contend that better business intelligence results in improved firm performance. Additionally, it has been determined that a strong BI is one of the answers to the agency problem by lowering costs and enhancing financial performance(Kyere & Ausloos, 2021). Other research (Abdeljawad and Masri (2020); Adeabah et al. (2019)), explain a poor correlation between BI and corporate performance. The need of carefully handling BI and academic background is explained by (Abdeljawad & Masri, 2020). The governance code and practices should provide a true independence as opposed to the current appearance of independence (for example, the governance code may require cumulative voting to lessen the influence of block stockholders). In this scenario, independent members—academic or not—will have the authority to direct and oversee. The following assertion is made in light of the findings of earlier research studies: BI and financial performance are related.

2.3 The relationship between CEO duality and financial performance

When a corporation has a dual function, it indicates that the same person serves as both the chairperson and the dual role (Roy & Alfan, 2022). According to writers like Jensen (1986), the concentration of power in one person raises the possibility that he or she will devise strategies that advance personal interests at the expense of the company because they may encourage opportunistic behavior and reduce the board's effectiveness, both of which would have a detrimental impact on business performance. Because it is preferable to separate the roles of Chairperson and duality role to prevent a concentration of power in the hands of just one person, the agency theory predicts that the dual role will have a negative impact on the company's performance(Pucheta-Martínez & Gallego-Álvarez, 2020).

A considerable positive correlation between dualistic role and performance has been found in earlier studies, such as(Kanakriyah, 2021). Make the case that this outcome may be explained by the fact that holding both positions simultaneously maximizes a person's sense of duty towards the organization and increases their interest and desire to improve the company's performance(Kanakriyah, 2021). This concurs with research by Abdeljawad and Masri (2020), which found a positive relationship between board duality and corporate performance of Palestinian listed enterprises. In contrast, it was discovered by Adeabah et al. (2019) that strong duality roles are bad for bank efficiency. Al Farooque et al. (2020) findings also suggest that the dual board membership of an executive and chairman has a substantial effect on falling firm performance. Additionally,Kyere and Ausloos (2021) CEO duality showed little impact on financial results. Moreover, Duru, Iyengar, and Zampelli (2016) explained CEO duality has negative effect on corporate performance The following hypothesis is put forth in light of the findings of earlier research studies: there is a connection between the dual function and financial performance.

2.4 Gender diversity as a moderate between (borad size, board independence and CEO duality with financial performance .

Numerous groups, including businesses, the general public, governments, and academic scholars, have given the topic of gender diversity in the BOD a great deal of attention (Dwaikat, Qubbaj, & Queiri, 2021). Both developed and emerging market empirical research on gender diversity and business performance has remained unclear(Brahma et al., 2021). Previous research that looked into the representation of women on boards came to conflicting conclusions (Jabari & Muhamad, 2021). Results, for instance, indicate that gender diversity has a favorable and considerable impact on financial performance(Brahma et al., 2021; Song, Yoon, & Kang, 2020). Strong board traits are linked to good corporate success, according to Kanakriyah (2021), who described a considerably favorable correlation between research factors (board independence, CEO duality, and the size of the BOD) and performance. The relationship between gender diversity and performance was also found to be detrimental. According to Duppati et al. (2020), more women on boards are likely to raise shareholder value. According to Adeabah et al. (2019), up to a maximum of two female directors on a nine-member board, gender diversity increases bank efficiency. Additionally, there are various, mostly beneficial consequences of gender diversity on board composition on financial performance, as demonstrated by both empirical and practical evidence(Noja et al., 2021). A number of initiatives have been launched to increase the proportion of women in positions of power within corporations because it is believed that having more women on corporate boards will improve governance and company performance in addition to social equity(Zhu et al., 2022). In contrast, increasing gender diversity on company boards had no discernible impact on the financial performance of Philippine enterprises(Unite et al., 2019). (Khatib and Nour (2021); Yang, Riepe, Moser, Pull, and Terjesen (2019)) came to the conclusion that the implementation of quota increased the proportion of women on Norwegian corporate boards and negatively impacted firms' financial performance. Results indicate that the performance of banks is not significantly impacted by the number of women on the board of directors(Elgadi & Ghardallou, 2022). This result agree with(Fernández-Temprano & Tejerina-Gaite, 2020).

According to the analysis' findings, having women on the BOD significantly improves the performance of the company (Dwaikat et al., 2021). The results demonstrate that having a female BOD has a considerable favorable impact on long-term performance, although CEO duality does not attenuate this association. Additionally, they discover that CEO duality significantly lowers a firm's sustainable performance, which is consistent with the agency theory(Zhu et al., 2022). According to this particular perspective, gender diversity has recently attracted increased attention in industry and academics(Roy & Alfan, 2022). Reveals that increasing board independence and size also considerably enhances earnings management practices in the Malaysian context, and thus non-CEO duality, board size, and independence from the CEO cannot be used to reduce earnings management(Roy & Alfan, 2022). Gender diversity may enhance business performance, however this is still debatable(Jabari & Muhamad, 2021). Consider the following hypothesis in light of the findings of earlier research studies: Financial performance is correlated with the presence of modest gender diversity in the BOD features (board size, board independence, and dual role).

3. Data and methodology

3.1 Data The population of the study is the same sample of the study due to small size which consists of all non financial firms listed in Palestine exchange during the fiscal years ended 31 December 2016–2019.moreover, this study was not take data after 2019 because COVID 19 may be affect the results. Regarding the data collection, this study was collected manually from the selected all non financial firms annual reports which include industrial, investment and services firms.

3.2 Research variables and measurements

The dependent, independent, and control variables of the study, as well as how each variable is measured, are covered in Section 3.2. The variables are described in table (1).

3.2.1 Dependent variable

One well-known and often used financial performance metric, namely ROA, was employed in this study's analysis to measure the dependent variable, financial performance(Abdeljawad & Masri, 2020; Al-Gamrh et al., 2020; Bristy, How, & Verhoeven, 2021; Kanakriyah, 2021). According to Bristy et al. (2021) ROA is calculated by dividing the company's net income by its total assets. Since monitoring and rewarding activities that improve financial performance is regarded to be the best way to improve shareholders' wealth, ROA provides the direct and relevant focus for improving performance(Abdeljawad & Masri, 2020). As a result, the ROA is used in this study as a management performance measure.

3.2.2 independent variables

BZISE, BI, GEN, and DUAL are the study's independent variables. Theoretically, these variables are covered in Section (2.3). Table (1) displays the measurements for these variables. BZISE relates to the BOD's membership. According to earlier research(Al Farooque et al. (2020); Kanakriyah (2021); Kyere and Ausloos (2021); Noja et al. (2021)), a large board means having more experienced members. This can only improve business performance because a larger range of experiences is brought to the table.

By dividing the number of non-executive directors by the total number of BOD, one can calculate BI(Jabari & Muhamad, 2021).
DUAL When a corporation has a dual function, it indicates that the same person serves as both the chairperson and the dual role(Roy & Alfan, 2022).

3.2.3 Moderator variable

3.2.3.1 According to Kanakriyah (2021), GEN refers to the proportion of women in the BOD.
3.2.4 Control variables: To ascertain the impact of each independent variable of importance to the investigation, the paper takes into account a few control variables(Jabari & Muhamad, 2021). They contend that selecting these control variables was done with an emphasis on variables that are most likely to have an impact on a firm's financial performance. Leverage and firm size were utilized as control variables in their analysis, following earlier studies like(Abdeljawad & Masri, 2020; Al-Gamrh et al., 2020). As indicated in table (1), these variables are approximated through.

Table (1): Measurement of variables.

Variable	Abbreviation	Measurement	Citation
1. Board characteristics (independent variables)			
CEO duality	**DUAL**	If the CEO also chairs the board, the dummy variable has value 1, otherwise it has value 0.	(Roy & Alfan, 2022)
Board size	**BSIZE**	Number of directors currently serving.	(Kyere & Ausloos, 2021)
Board independence	**BI**	Percentage of board members who are independent directors	(Jabari & Muhamad, 2021)
Gender diversity	**GEN**	Percentage of proportion of female board members.	(Kanakriyah, 2021)
Moderator variable			
Gender diversity	**GEN**	Women to the number of BOD Percentage.	(Kanakriyah, 2021)
2. Firm performance (dependent variable proxies)			
Return on Assets	**ROA**	Total assets split by net income.	(Bristy et al., 2021)
3. Control variables			
Firm size	**Ass**	The firm's total assets expressed as a logarithm in US dollars (data from companies in Jordanian dinars are rendered to USD	(Al-Gamrh et al., 2020)

		using the official average exchange rate).	
Firm leverage	**LE**	Total liability to total assets as a percentage.	(Al-Gamrh et al., 2020)

4. Findings and Discussion

4.1 Descriptive Statistics

According toWang and Chang (2008) ,data descriptive statistics provide a general description of how chosen data behaves as well as some background knowledge about sample data. The summary statistics for the dependent, independent, moderating, and control variables are shown in Table (2). The descriptive statistics condense and present the information that has been gathered for each variable, including statistics like the minimum and maximum value, mean, median, and standard deviation of a particular variable.

Table (2): Descriptive statistics

Variable	mean	Median	Min	max	sd	skewness	kurtosis
BSIZE	8.528455	8	6	12	1.921941	.4015811	1.73464
BI	.0709756	0	0	.29	.0886087	1.051689	3.151532
DUAL	.3902439	0	0	1	.4898	.45	1.2025
GEN	.0591463	0	0	.25	.0860916	1.091725	2.758087
Lev	.3294262	.33	.04	.6	.17493	-.0379872	1.791623
Ass	7.474288	7.432052	6.514735	8.923255	.6335553	.4935272	2.791623
ROA	.054048	.04	.002	.16	.0460724	.8374089	2.958991

According to descriptive statistics shown in table (2), the average board size is 8.5 members, with a maximum of 12 and a minimum of 6 members. Additionally, the average board independence number (BI) is 0.07. implies that, on average, the sample's executive directors make up the majority of the BOD. Board independence has a mean of 0.07 and a range of 0 to 0.29. A chairperson who is also the CEO makes up 0.39 of all observations, according to the median value of the dummy variable CEO duality, which is displayed as 0.39. In accordance with the guidelines of the Code on Corporate Governance, the remaining 0.61 divides the positions of CEO and chairperson.

The female directorship ranges for the moderating variable from a minimum of 0 to a maximum of 0.25. In a similar vein, (2) shows that the average values of the variables percentage of women in the BOD are roughly 0.06. In contrast, the gender variable's minimum value is zero, demonstrating that some businesses do not appoint women to their board of directors. Additionally, the financial performance of the company is the dependent variable and the mean ROA is 0.05 in Table (2). Finally, the control variables' means for firm size and leverage are 7.47 and 0.32, respectively.

4.2 Pearson correlation

The Pearson correlation coefficients between the study's variables are shown in Table (3). Negative correlations exist between BSIZE, BI, and DUAL with GEN. While BI and DUAL have positive associations with ROA, the opposite is true for BSIZE. The BI and DUAL pair had the highest correlation (r = 0.71). DUAL and ROA have the lowest connection (r = 0.0039). The remainder of the correlation indices are all below 0.80. There is no multicollinearity issue as a result(Gujarati, 2011). The variance inflation factor (VIF) can also be used to study the multicollinearity issue. According to Hair, Black, Babin, Anderson, and Tatham (1998), there is no multicollinearity if the VIF number is less than 10. The results are displayed in Table(4). There is no multicollinearity because neither independent variable has a VIF value greater than 10.

Table (3) Pearson correlation

Variables	BSIZE	BI	DUAL	GEND	LEV	ASS	ROA
BSIZE	1.00000						
BI	.0340	1.0000					
DUAL	0.2145	0.7183	1.0000				
GEN	-0.1602	-0.0282	-0.2059	1.0000			
LEV	0.0343	-0.2148	-0.3116	0.2471	1.0000		
ASS	0.4417	0.0378	0.1975	-0.2381	0.1618	1.0000	
ROA	-0.1456	0.1760	0.0039	0.0635	-0.1969	-0.0208	1.0000

Table(4) Multicollinearity tests

Variables	VIF	1/VIF
DUAL	2.41	0.41
BI	2.04	0.48
Ass	1.41	0.71

BSIZE	1.35	0.73
Lev	1.22	0.82
GEN	1.14	0.87

4.3 Empirical analysis

The impact of board characteristics, such as BI, DUAL, GEN, and BSIZE, on ROA is empirically examined in this work. Using secondary data for Palestine Exchange listed non-financial companies from 2016 to 2019. The findings are consistent with earlier studies(Jabari & Muhamad, 2021; Zhu et al., 2022). Since they demonstrate that GEN have a positive and significant connection with ROA at p value 0.02 (p value = 0.02). However, some studies, such as Kanakriyah (2021), revealed a negative association. Additionally, the results are consistent with Kanakriyah (2021) because the association between DUAL and ROA is favorable and significant at p value 0.06.

Additionally, the data show that there is a positive, non-significant link between BSIZE and ROA at p value 0.19, in contrast to Elgadi and Ghardallou (2022) who discovered a negative, significant relationship. They contend that larger boards will have a detrimental impact on ROA.

Additionally, this study explains that the relationship between BI and ROA is favorable and unimportant, with a p value of about 0.14. This is consistent with Kyere and Ausloos (2021) assertion that strong BI is one of the solutions to agency problems by reducing costs and enhancing financial performance.

4.4 Moderating Effect of Gender Diversity

Additionally, by introducing and exploring gender diversity (GEN) as a mediator in the interaction between (i.e. BI, DUAL, and BSIZE on ROA), this study adds to the body of research already available in developing nations. GEN exhibits a highly significant (p 0.00) effect on board characteristic according to the findings in Table (5). It follows that a GEN must play a substantial and crucial role in board characteristics in order to boost financial performance. It's interesting to note from the results in Table (5) that for non-financial listed businesses, GEN successful moderates the association between BI, BSIZE, and DUAL with ROA.

The findings of this study concur with those of (Brahma et al., 2021; Uyar, Kilic, Koseoglu, Kuzey, & Karaman, 2020). In order to accomplish long-term sustainable transformation in the workplace, responsible governance, and competitiveness in the global marketplace, there should be more women in executive positions.

According to the resource dependence hypothesis, women's participation in high hierarchy positions in corporate boardrooms is necessary because doing so has a positive impact on a company's success (Adeabah et al., 2019; Bhat, Chen, Jebran, & Memon, 2020; Dakhli, 2021). Additionally, table (5) reveals that the explanatory variables in this empirical model explained roughly 0.35 of the variation in the dependent variable "ROA" using the coefficient of determination R^2. P-value overall (p 0.000). Therefore, when R^2 is 0.125, it may be said that the model fits the data better than the direct relationship.

Table (5) Multiple regression analysis using the OLS model

	Direct relationship		**Indirect relationship**	
Variables	Coefficients	P value	Coefficients	P value
<u>Independent variables</u>				
BSIZE	-.00323602	0.191	-.044561	.076
BI	.1.045899	.137	-.30032218	0.676
DUAL	-.2725829	0.066	.1526345	0.335
GEND	1.056339	0.026	-9.311546	0.000
<u>Moderated effects</u>				
BSIZE×GEND			1.385311	0.000
BI ×GEND			24.55635	0001
DUAL×GEND			-5.399445	0000
<u>Control variables</u>				
ASS	.0631238	.198	.443	-.0506064
LEV	-0.4627273	0.103	-.4229435	0.094
Constant	-.5328451	.333	-.2008641	0.671
Observations	122	0.0075	122	0.000
R-squared	0.1257	0000	0.3513	0000
Adj R-squared	0.0880	0000	0.2992	0000

Notes: Table 2 shows the empirical results of multiple regression analysis using OLS estimator. **BSIZE**total number of board members, **BI** proportion of presence of independent directors in the board, **DUAL**dummy variable coded 1 if board chairman serves as CEO at the same time, **GEN** percentage of women directors to the total number of directors, **ASS** ,**LE***, ** and *** statistically significant at 0.10, 0.05 and 0.01 levels, respectively.

5. Conclusion and Future Direction

The impact of board qualities on financial success is investigated in this study. The findings demonstrate that DUAL and GEN have a strong and favorable connection with ROA. BSIZE and BI, however, have a favorable but negligible connection with ROA. More intriguingly, this study looks at how board characteristics and GEN interact to affect ROA. The most important discovery is that GEN positively modifies how board characteristic affects ROA. That is, a female board member increases the likelihood that the BOD will provide financial performance that is better. According to this outcome, which is in line with agency theory, the inclusion of female directors on corporate boards will promote strategic links between businesses and improve financial performance by reducing information asymmetry. To the best of my knowledge, this study is one of the first to scientifically analyze the role that female board members can play in reducing the negative effects of board characteristics on financial performance.

The inconsistent effects of financial success in earlier studies have raised doubts about the effect of board characteristics. The positive interaction (moderating) effect of GEN on the impact of board characteristic on ROA is one of the key takeaways from this study, which emphasizes the critical importance of gender diversity. The importance of GEN in sustaining the efficiency of board feature is thus shown by this study.

The limitations of this study, however, provide a number of opportunities for more future research. First off, based on the claims that non-financial companies are fundamentally different from finance organizations and that GEN has an impact on financial performance, the study has narrowly focused only on non-financial listed firms. Future researchers may examine the companies in the banking industry, which have also garnered a lot of attention in this context. Two, the study concentrated on the GEN on board issue rather than other sorts of directors like national or international of member directors, so future researchers may also examine this unexplored field for insightful contributions. Finally, the study raises the question of whether or not the amount of experience of women will affect the financial success of the firms, which might be investigated and examined further by future researchers.

In general, this study's findings will help us better understand how board features affect financial success. More intriguing is the role of GEN as a moderating factor between board behavior and financial performance. As a result, this improves estimates of the key inputs into the decision-making process. Such a deeper comprehension will give decision-makers the crucial tools they need to deliver remarkable results.

The findings of this study also offer policy makers, corporate executives, and board members of companies some useful insights on performance drivers. In order to increase company profitability, these latter could promote company performance and asset usage.

In order to improve the effectiveness of the company's operations, which improves financial performance; they may also raise the percentage of women on the board.
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