

The Impact Of CEO Gender, CEO Characteristic, and Accounting Background on Environmental, Social, and Governance (ESG)

Salamatul Insan Suhari¹, Endah Tri Wahyuningtyas^{2*}

¹*Universitas Nahdlatul Ulama Surabaya*

*Email: endahtri@unusa.ac.id

ABSTRACT

This study aims to analyze the influence of CEO gender, CEO characteristics, and CEO accounting background on the Environmental, Social, and Governance (ESG) performance of companies listed in the ESG Leaders Index for the period 2019-2023. Using a quantitative approach and secondary data, this research examines how CEO gender, tenure, age, education, and accounting background affect the company's ESG performance. The study results show that female CEOs significantly contribute positively to the improvement of ESG performance, driven by leadership styles and psychological characteristics that support social responsibility and sustainability. CEO characteristics such as tenure and age do not affect ESG performance, while the CEO's education and accounting background positively influence better ESG management and reporting. These findings provide evidence that selecting CEOs with the right profiles is key to promoting the company's ESG performance and also offer practical implications for developing sustainability strategies and corporate governance.

Keywords: CEO gender, CEO characteristics, accounting background, ESG performance, ESG Leaders Index.

INTRODUCTION

The disclosure of Environmental, Social, and Governance (ESG) information has become one of the key focuses in the modern business world, in line with the growing awareness of corporate social responsibility and sustainability. Global issues such as social injustice, climate change, and unethical corporate behavior have driven the development of the ESG concept as the foundation for business and investment strategies. ESG not only reflects a company's commitment to sustainable practices but also influences its financial performance and reputation in the eyes of stakeholders (Dewangga & Leonardus, 2024).

Finally, it is crucial to actively disclose ESG activities because the more information available, the better ESG commitments appear in the eyes of analysts (Wahyuningtyas et al., 2024). With the proliferation of ESG-related issues, companies often use ESG investments as a corporate strategy to mitigate long-term risks associated with ESG issues. In addition, ESG investments can also have a positive impact on society, the environment, and the company itself. Some investors also realize that compared to equivalent non-ESG investments, ESG investments can generate higher returns.

ESG disclosure is also significantly influenced by the CEO's ability to understand and manage financial and non-financial data. As the highest leader in the company, the CEO plays a crucial role in strategic decision-making, including decisions related to ESG disclosure. The relationship between CEO characteristics and ESG disclosure can also serve as a basis for formulating policies that promote best practices in sustainability information disclosure. Characteristics such as gender, tenure, educational background, age, and educational background of CEOs can influence how they manage sustainability issues (Triyani & Setyahuni, 2020). In this context, CEO gender is one of the variables that has drawn attention. Factors such as life experience, values, and leadership style often influence how companies perceive their social and environmental responsibilities (Hapsari, 2024).

Several studies show that CEOs with shorter tenures tend to be more committed to sustainability performance and more active in ESG disclosure than CEOs who have been in office for a long time. In addition, CEOs with higher educational backgrounds are often considered to be more socially and environmentally responsible (Triyani & Setyahuni, 2020). In addition, other CEO characteristics such as age can also influence the policies adopted for the company and tend to avoid high-risk activities.

Conversely, younger CEOs prefer challenges and dynamic ideas and tend to be more willing to take risks (Triyani & Setyahuni, 2020). One of the characteristics of CEOs that is interesting to study is their educational background in accounting. CEOs with degrees in accounting or finance are often considered more competent in managing information and making transparent decisions related to ESG reports. CEOs with an accounting background may have a better understanding of financial reporting and non-financial information disclosure, including ESG aspects (Oehoedoe et al., 2023).

Although there is evidence of a positive relationship between CEO characteristics and ESG performance, the literature still does not understand how the combination of gender and other CEO characteristics affects overall ESG disclosure. This highlights the inconsistency in the literature regarding the influence of CEO gender on ESG disclosure. Therefore, this study focuses on companies in Indonesia, and using data from companies listed on the Indonesia Stock Exchange, we examine CEO gender and CEO characteristics in companies listed on the ESG Leaders Index.

The ESG Leaders Index is an index that contains stocks of companies with high environmental, social, and corporate governance performance. Recently, social and environmental issues have become a public concern (Sri et al., 2025). Therefore, the author chose ESG Leaders as the object of research. By choosing this index, the study can examine how factors such as gender and CEO characteristics contribute to sustainable practices that have been proven to improve a company's ESG performance.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Social Role Theory

Social Role Theory is a theory proposed by Alice Eagly in 1987 (Samsul & Milla, 2015). This theory explains how social roles associated with gender shape individual behavior, motivation, and expectations in social and organizational contexts. Social Role Theory argues that differences in behavior between men and women are largely influenced by the social norms and expectations attached to their gender roles (Brueckner et al., 2021). Women often

have higher empathy than men. Meanwhile, men tend to be more decisive in their decision-making.

In addition, Social Role Theory also explains the internal and external mechanisms that can encourage individuals to adjust their motivation and behavior to conform to expected gender and social roles, either consciously or unconsciously. (Brueckner et al., 2021). Social Role Theory provides a framework for understanding how gender roles influence behavior and motivation in leadership positions, including their impact on decision-making and CEO leadership styles. (Al-Shammari et al., 2024).

Upper Echelon Theory

Upper Echelon Theory is a theory developed by Hambrick and Mason in 1987 (Meytasari, 2024). This theory focuses on how top management characteristics such as age, experience, education, field of study, and personal values influence strategic decisions and company performance. Ting et al. (2015) state that Upper Echelon Theory is a theory that emphasizes the importance of top management characteristics in corporate strategic decision-making. This theory states that decisions made by senior executives can directly affect company performance. By understanding characteristics such as the age, experience, and educational background of leaders, researchers can better explain how strategic decisions are made and their impact on the company.

In addition, this theory also shows that managerial characteristics can predict a company's performance results. Several studies have shown that management background and values play an important role in determining the chosen strategy, thereby providing valuable insights into how companies operate and develop in a competitive context (Meytasari, 2024). This theory focuses on how top management characteristics, such as age, experience, education, and personal values, influence strategic decisions and company performance (Ting et al., 2015).

CEO Gender

CEO Gender refers to the gender of the highest leader in a company (Ulfa & Rahman, 2024). Madha Sugeng Saputri (2021) states that differences in leadership styles between male and female CEOs create different dynamics within organizations. Female CEOs are often more collaborative and inclusive, which can increase team motivation and create a positive work environment.

CEO Characteristic

CEO characteristics indicate that various factors such as education, gender, tenure, and age influence decision-making and company performance. CEO demographic characteristics, including education, gender, and age, tend to have a better understanding of complex decisions and are more capable of innovation (Alexander et al., 2020).

Accounting Background

The combination of experience and accounting knowledge of CEOs tends to influence company performance. Companies led by CEOs with an accounting background often demonstrate better financial performance due to more informed decision-making and more effective strategies in managing resources. This refers to the CEO's education or work experience in accounting (Ghardallou, 2022). CEOs with an accounting background tend to have a better understanding of complex financial aspects, which contributes to better and more timely decision-making (Oehoedoe et al., 2023).

METHODS

This study is a quantitative descriptive study. The study uses financial report information from the official websites of the Indonesia Stock Exchange and Bank Indonesia or the official websites of companies with a purposive sampling research data selection technique. This technique is a sampling method that depends on the researcher's assessment in selecting units (Firmansyah et al., 2022). In this study, data analysis was performed using the SPSS application.

RESULTS

Descriptive Analysis

Variabel	N	Minimum	Maximum	Mean	Std. Deviation
CEO Gender	110	0	1	0,09	0,28
Educational Background	110	0	1	0,61	0,49
Tenure	110	4	451	108,61	103,17
Age	110	40	84	58,39	7,89
Accounting Background	110	0	1	0,51	0,50
ESG	110	13,87	67,50	41,21	11,84

Normality Tes

No	Indikator	Unstandardized Residual
1	<i>N</i>	110
2	<i>Mean</i>	0,00
3	<i>Std. Deviation</i>	10,464
4	<i>Absolute Differences</i>	0,068
5	<i>Positive Differences</i>	0,068
6	<i>Negative Differences</i>	-0,061
7	<i>Kolmogrov-Smirnov z</i>	0,068
8	<i>Asymp. Sig. (2-tailed)</i>	0,200

Based on the table above, it can be interpreted that the data used in this study is normal. This can be seen from the Asymp Sig. (2-tailed) value of 0.200. This value exceeds the significance level of 0.05. Thus, the test results show that the regression model in this study meets the assumption of normality.

Multicollinearity Test

Variabel	Collinearity Statistic		Keterangan
	Tolerance	VIF	
CEO Gender	0,85	1,16	multicollinearity-free
Educational Background	0,94	1,05	multicollinearity-free
Tenure	0,88	1,12	multicollinearity-free
Age	0,87	1,14	Bebas Multikolinearitas
Accounting Background	0,93	1,07	Bebas Multikolinearitas

Based on the table above, it shows that all variables have tolerance values < 0.10 and VIF < 10.0. Thus, there are no signs of multicollinearity in the variables of CEO Gender, Educational Background, Term of Office, Age, and Accounting Background of the CEO. Based

on this test, it can be said that the variables in this study pass the multicollinearity test and further testing can be carried out.

Heteroscedasticity Test

No	Variabel	Signifikansi
1	CEO Gender	0,06
2	Educational Background	0,39
3	Tenure	0,35
4	Age	0,65
5	Accounting Background	0,38

The heteroscedasticity test in this study used the Glejser test. Based on the table above, the results of the test using the Glejser test show that all independent variables obtained values above 0.05. The test results indicate that there was no heteroscedasticity in the research sample.

Autocorrelation Test

N	K	DW	dU	4-dU	Keterangan
110	5	1,795	1,785	2,215	Tidak terjadi autokeralasi

The autocorrelation test in this study uses Durbin Watson. In the Durbin Watson test results above, the Durbin Watson value obtained is 1.795, while the dU value is 1.785 and the 4-dU value is 2.215. This is in line with the condition $dU < DW < 4-dU$. Therefore, the Durbin Watson test results indicate that the model in this study is free from autocorrelation.

Multiple Linear Regression Analysis

Variabel	Understandarized Coefficient		Standardized Coefficient
	B	Std. Error	Beta
Constant	29,286	8,148	-
CEO Gender	8,407	3,835	0,205
Educational Background	5,154	2,148	0,213
Tenure	-0,003	0,011	-0,028
Age	0,086	0,139	0,057
Accounting Background	6,609	2,119	0,280

Based on the table above, multiple linear regression can be described as follows: (a) The constant value (a) has a beta value of 29.286. This indicates that all independent variables, including CEO Gender (X1), Educational Background (X2), Term of Office (X3), Age (X4), and CEO Accounting Background (X5), are assumed to be fixed or equal to zero (0). The dependent variable (Y), namely Environment, Social, and Governance (ESG), has a positive value. (b) The regression coefficient value of the CEO Gender variable shows a positive (unidirectional) value of 8.407 between the CEO Gender variable and the Environment, Social, Governance (ESG) variable with a standard effect (Beta) of 0.205. This indicates that if the CEO is female, the Environment, Social, Governance (ESG) value will increase by 8.407. This assumes that other variables remain constant. (c) The regression coefficient value of the CEO's Educational Background variable shows a positive (direct) value of 5.154 between the Educational Background variable and the Environment, Social, Governance (ESG) variable with a standard

effect (Beta) of 0.213. This indicates that CEOs with an MBA or higher educational background will increase the value of Environment, Social, Governance (ESG) by 5.154. Assuming that other variables remain constant. (d) The regression coefficient value of the CEO Tenure variable shows a negative (opposite direction) value of -0.003 between the CEO Tenure variable and the Environment, Social, Governance (ESG) variable with a standard beta effect of -0.028. This indicates that for every additional year of CEO tenure, the Environment, Social, Governance (ESG) value will decrease by 0.003, assuming that other variables remain constant. (e) The regression coefficient value of the CEO Age variable shows a positive (direct) value of 0.086 between the CEO Age variable and the Environment, Social, Governance (ESG) variable with a standard value (Beta) of 0.057. This indicates that the age of the CEO has a positive effect on ESG. For every additional year of CEO age, the Environment, Social, Governance (ESG) value will increase by 0.086. Assuming that other variables remain constant. (f) The regression coefficient value of the CEO's Accounting Background variable shows a positive (unidirectional) value of 6.609 between the CEO's Accounting Background variable and Environment, Social, Governance (ESG) with a standard value (Beta) of 0.280. This indicates that if the CEO has an accounting background, the Environment, Social, Governance (ESG) value will increase by 6.609. Assuming that other variables remain constant.

F-Test

Model	df	F	Sig.
1	5	5,852	<0,001

Based on the table, the results show a significance value of <0.001 or less than 0.005. This indicates that the dependent variables of the study, consisting of CEO gender, educational background, tenure, age, and CEO accounting background, simultaneously have a significant effect on the independent variables of the study, namely Environment, Social, and Governance (ESG).

T-Test

Variabel	Unstandarized Coefficient		T	Sig.	Keterangan
	B	Std. Error			
<i>Constant</i>	29,286	8,148	3,594	< 0,001	
<i>CEO Gender</i>	8,407	3,835	2,192	0,031	Signifikan
<i>Educational Background</i>	5,154	2,148	2,399	0,018	Signifikan
<i>Tenure</i>	-0,003	0,011	-0,305	0,761	Tidak Signifikan
<i>Age</i>	0,086	0,139	0,618	0,538	Tidak Signifikan
<i>Accounting Background</i>	6,609	2,119	3,119	0,002	Signifikan

Based on the t-test results in the table, it shows that: (a) The CEO Gender variable shows a significance of 0.031 or less than 0.05 with a positive beta value of 8.407. This indicates that the CEO Gender variable (X1) has an effect on (ESG). (b) The CEO Educational Background variable shows a significance result of 0.018 or less than 0.05 with a positive beta value of 5.154. This result indicates that the Educational Background variable (X2) has a positive effect on (ESG). (c) The CEO Tenure variable shows a significance result of 0.761 or

greater than 0.05 with a negative beta value of -0.003. This result indicates that the CEO Tenure variable (X3) has no effect on (ESG). (d) The CEO Age variable shows a significance result of 0.538 or more than 0.05 with a positive beta value of 0.086. This result shows that the CEO Age variable (X4) has no effect on (ESG). (e) The CEO Accounting Background variable shows a significance result of 0.002 or less than 0.05 with a positive beta value of 6.609. This result indicates that the CEO Accounting Background variable (X5) has a positive effect on (ESG).

Test the Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,469	0,220	0,182	10,713

Based on the R2 test in the table, the coefficient of determination (R square) was 0.220, or 22%. This indicates that in this study, 22% of the variance in the impact or influence of the variables of CEO gender, educational background, tenure, age, and accounting background on Environment, Social, and Governance (ESG) can be explained. The remaining 88% is influenced by other variables outside the scope of this study.

DISCUSSION

The Impact of CEO Gender on Environment, Social, and Governance (ESG)

The CEO gender variable obtained a significance value of 0.031, which is less than 0.05. This indicates that CEO gender has an influence on Environment, Social, and Governance (ESG) performance. The beta value of 8.407 indicates a positive relationship between CEO gender and ESG. This indicates that female CEOs have a significant positive influence on Environment, Social, and Governance (ESG). The behavioral differences between men and women are also largely influenced by the social norms and expectations attached to their gender roles. Women often have a higher sense of empathy than men.

The Impact of Educational Background on Environment, Social, and Governance (ESG)

The CEO's Educational Background variable obtained a significance value of 0.018, which is less than 0.05. With a positive beta value of 5.154, this shows that the CEO's Educational Background variable has a positive and significant influence on Environment, Social, and Governance (ESG). Educational background is an indicator that has an impact on ESG performance. The higher the education attained by the CEO, the better the ESG performance will be. The higher the level of education attained by CEOs, the more positive the impact on a company's ESG performance. Education at the bachelor's degree level or below the MBA level has not been shown to consistently improve ESG performance. Thus, the results of this study indicate that the educational background of CEOs plays an important role in ESG performance.

The Impact of CEO Tenure on Environment, Social, and Governance (ESG)

The CEO tenure variable obtained a significance value of 0.761 or more than 0.05. This indicates that CEO tenure has no impact on Environment, Social, and Governance (ESG). The CEO's term of office is often considered to have an influence on management decisions. However, the absence of a significant relationship in the results of this test shows that the company's strategic decisions are not only based on or decided by the CEO with a certain term of office. Instead, the company's strategic decisions are made based on joint decisions by the company's stakeholders.

The Impact of CEO Age on Environment, Social, and Governance (ESG).

The CEO age variable obtained a significance value of 0.538, which is greater than 0.05. This indicates that CEO age has no influence on Environment, Social, and Governance (ESG) performance. This may be because ESG is the result of collective and structured decisions, age is not an indicator that influences ESG performance, and external and institutional pressures are often more dominant. Thus, the age of the CEO cannot be used as the main determinant of a company's sustainability performance.

The Impact of CEO Background Accounting on Environment, Social, and Governance (ESG)

The CEO Background Accounting variable obtained a significance value of 0.002, which is less than 0.05. With a positive beta value of 76.609, this indicates that the CEO Background Accounting variable has a positive and significant influence on Environment, Social, and Governance (ESG). Certain fields of study, such as accounting, are often considered to influence how management processes information and selects strategies. CEOs with an accounting background tend to have high literacy in financial and non-financial risks and technical aspects of sustainability reporting, enabling them to make more appropriate, data-driven decisions in line with good governance principles. Thus, professional competence in accounting plays a role in minimizing cognitive bias and improving the quality of strategic decision-making, particularly in the ESG domain.

CONCLUSION

Based on the test result conducted, the following conclusions are obtained : (a) The gender of the CEO has a significant positive influence on Environment, Social, and Governance (ESG). (b) The educational background of the CEO has a significant positive influence on Environment, Social, and Governance (ESG). (c) The CEO's term of office variable has no effect on Environment, Social, and Governance (ESG) performance. (d) The CEO's age variable has no effect on Environment, Social, and Governance (ESG) performance. (e) The CEO's accounting background variable has a significant positive effect on Environment, Social, and Governance (ESG).

REFERENCES

- Agus Triyani, & Suhita Whini Setyahuni. (2020). *Pengaruh Karakteristik CEO Terhadap Pengungkapan Informasi Environmental, Social, And Governance (ESG)* (Vol. 21, Issue 2). *Jurnal ekonomi dan bisnis*.
<https://jurnal.unissula.ac.id/index.php/ekobis/article/view/10599>
- Al-Shaer, H., Zaman, M., & Albitar, K. (2024). CEO gender, critical mass of board gender diversity and ESG performance: UK evidence. *Journal of Accounting Literature*.
<https://doi.org/10.1108/JAL-10-2023-0181>
- Dewangga, & Leonardus Arya. (2024). Pengaruh Karakteristik CEO (Gender dan Education) Terhadap Environmental, Social, dan Governance (ESG) Perusahaan (Studi pada Perusahaan yang Terdaftar di Bursa Efek Indonesia (BEI). *Jurnal akuntansi*.
<http://Repository.Its.Ac.Id/Id/Eprint/106978>.
- Dwimartha, F., Pramesti, M., Adhi, L., Sulung, K., & Gandakusuma, I. (2023). Peran Pendidikan CEO, Keberagaman Gender, dan Dimensi Keuangan Perusahaan Terhadap

- Pengungkapan CSR Sektor Manufaktur di Indonesia. *Jurnal Manajemen dan Usahawan Indonesia* • (Vol. 46, Issue 1).
- Herlambang, I. R. (2024). Board Characteristics and ESG Performance of United States Corporations during Covid-19 Pandemic. *Berkala Akuntansi Dan Keuangan Indonesia*, 9(2), 241–254. <https://doi.org/10.20473/baki.vxix.xxxxx>
- Ika Safitri, Muhammad Saiful Hakim, Leonardus Arya Dewangga, & Muhammad Haris Jauhari. (2024). *The Influence of CEO Characteristic on Environmental, Social, & Governance (ESG) Strategies in Non-Financial Sector Companies Listed on the Indonesian Stock Exchange (IDX)*. *Eduvest - Journal of Universal Studies*, Vol. 4, No. 7, 2024. <http://eduvest.greenvest.co.id>
- Mardiatmoko, G.-. (2020). Pentingnya Uji Asumsi Klasik pada Analisis Regresi Linier Berganda. *Jurnal Ilmu Matematika Dan Terapan*, 14(3), 333–342. <https://doi.org/10.30598/barekengvol14iss3pp333-342>
- Madha sugeng saputri. (2021). *Pengaruh Gender, Usia, dan Tenure CEO Terhadap Praktik Manajemen Laba*. *Jurnal akuntansi (AKUNESA)*. <https://journal.unesa.ac.id/index.php/akunesa/article/view/10832>
- Oehoedoe, M. S., Minanurohman, A., & Fitriani, N. (2023). CEOs Accounting Background and ESG Disclosure: Empirical Evidence of Indonesian Listed Companies. *Jurnal Dinamika Akuntansi Dan Bisnis*, 10(1), 81–98. <https://doi.org/10.24815/jdab.v10i1.28558>
- Oktafiyani, H., Puspawati, D., & Permatasari, W. D. (2024). YUME : Journal of Management Faktor-Faktor Yang Mempengaruhi Pengungkapan ESG Pada Perusahaan Di Indonesia. In *YUME : Journal of Management* (Vol. 7, Issue 2).
- Sri, K., Wati, K., Nyoman, D., Werastuti, S., Ekonomi, J., & Akuntansi, D. (2025). Pengaruh Environmental Social and Governance (ESG) Score, Ukuran Perusahaan dan Struktur Modal terhadap Kinerja Keuangan. *Jurnal Ilmiah Mahasiswa Akuntansi Universitas Pendidikan Ganesha* (Vol. 16, Issue 01).
- TA Hapsari. (2024). Pengaruh CEO Power dan Gender Diversity Terhadap Kinerja Environmental, Social, and Governance (ESG) dengan Leverage, Return On Assets, dan Size Sebagai Variabel Kontrol (Studi Kasus Pada Perusahaan Sub Sektor Perbankan yang go-public di Negara ASEAN-5). *Jurnal Riset Akuntansi dan Keuangan (JRAK)*, Vol. 16, No. 2. <https://journal.unpas.ac.id/index.php/jrak/article/view/16495>
- Ting, I. W. K., Azizan, N. A. B., & Kweh, Q. L. (2015). Upper Echelon Theory Revisited: The Relationship between CEO Personal Characteristics and Financial Leverage Decision. *Procedia - Social and Behavioral Sciences*, 195, 686–694. <https://doi.org/10.1016/j.sbspro.2015.06.276>
- Ulufiyah, R., & Harymawan, I. (2025). Economic Expertise In Leadership : How CEO Economic Certifications Drive Corporate EES Performance. *Owner*, 9(2). <https://doi.org/10.33395/owner.v9i2.2663>

- Wahyuningtyas, E. T., Majidi, L. M. S., Murtadho, M., Susesti, D. A., & Primasari, N. S. (2024). Environment Social and Governance Performance and Capital Struture: Evidence in Indonesia and Malaysia. *Revista de Gestao Social e Ambiental*, 18(5), 1-12.
- Wahyuningtyas, E. T., & Susesti, D. A. (2023). *Gender Diversity Impact on ESG Performance: Evidence from Indonesian and Malaysian Manufacturing Sector* (pp. 105– 111). *Atlantis press* https://doi.org/10.2991/978-94-6463-068-8_8
- Wulan Meytasari. (2024). Pengaruh Pengungkapan ESG terhadap Nilai Perusahaan dengan Karakteristik CEO sebagai Variabel Moderasi. *Jurnal akuntansi*. <https://repository.uinjkt.ac.id/dspace/handle/123456789/78569>
- Yahya, H. (2023). Female leadership and ESG performance of firms: Nordic evidence. *Corporate Governance (Bingley)*. <https://doi.org/10.1108/CG-03-2023-0129>
- Yapianto, W., & Dewi, L. G. K. (2023). Karakteristik CEO dan Pengungkapan Informasi ESG Perusahaan Publik Indonesia. *E-Jurnal Akuntansi*, 33(12). <https://doi.org/10.24843/eja.2023.v33.i12.p02>