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Аде АВАЛУДІН
Державний університет Джакарти, м. Джакарта, Індонезія

СУГЕРМАН
Державний університет Джакарти, м. Джакарта, Індонезія

Ґатот Назір АХМАД
Державний університет Джакарти, м. Джакарта, Індонезія

Вплив генерального та фінансового директора жіночої статі на грошові кошти підприємств харчової промисловості, що котируються на Індонезійській фондовій біржі

Анотація. *Наростаючою тенденцією в управлінні великими компаніями є впровадження заходів гендерної різноманітності та рівності. Наявність жінок у вищому керівництві компаній, особливо у сфері корпоративного управління, – питання, що активно обговорюється останнім часом в багатьох країнах. Досі панує думка, що чоловіки краще і більш гідно реалізують лідерські якості в управлінні компанією. Однак автори цього дослідження вважають, що це твердження варто перевірити. Мета цього дослідження – оцінити вплив жінок – генеральних та фінансових деректорів директорів на готівкові кошти індонезійських компаній з виробництва продуктів харчування та напоїв. Дані, використані в цьому дослідженні, є даними із щорічного звіту компаній з виробництва продуктів харчування та напоїв, які котувалися на Індонезійській фондовій біржі у 2016-2020 роках. Грошові кошти компанії в цьому дослідженні оцінюються на основі двох показників: а) відношення грошових коштів та їх еквівалентів до загальної вартості активів компанії; б) відношення грошових коштів та їх еквівалентів до загальної вартсоті чистих активів компанії. Вибірку дослідження представляють 25 компаній із 125 спостереженнями. Для аналізу даних автори використовують панельний регресійний аналіз даних та модель з фіксованим ефектом. Для обробки даних використовувалися програми Microsoft Excel 2013, Stata/MP 16.0 та Reviews 10. Результати аналізу показують, що жінки – генеральні директори мають значний позитивний вплив на грошові кошти компанії, тоді як жінки – фінансові директори не мають значного позитивного впливу на готівкові кошти компанії. Ці результати допоможуть власнику бізнесу при виборі кандидатів на посаду генерального / фінансового директора.*

Ключові слова: *грошові кошти, жінки – генеральні директори, жінки – фінансові директори, гендерна різноманітність, топ-менеджмент.*

Ade AWALUDIN[1]
Jakarta State University, Jakarta, Indonesia

SUHERMAN[2]
Jakarta State University, Jakarta, Indonesia

Gatot Nazir AHMAD[3]
Jakarta State University, Jakarta, Indonesia

Effect of Female CEO and CFO on Cash Holdings on Food and Beverages Companies Listed on Indonesia Stock Exchange

Abstract. *The current trend in the management of large companies is implementation of the gender diversity measures. The existence of women at the top management became one of the growing issues recently, especially in corporate governance. The prevailing opinion is still that men are better and more deserving to hold the power of*

[1] **Ade AWALUDIN**, Faculty of Economics, Jakarta State University (Jakarta, Indonesia).
ORCID 0000-0002-0033-1163

[2] **Dr. SUHERMAN**, M.Si, Faculty of Economics, Jakarta State University (Jakarta, Indonesia).
ORCID 0000-0001-5501-5048

[3] **Dr. Gatot Nazir AHMAD**, M.Si, Faculty of Economics, Jakarta State University, (Jakarta, Indonesia).
ORCID 0000-0002-2274-9499

leaders in the company. But authors believe that this statement needs to be verified. The purpose of this study is to assess the impact of female CEO and CFO on cash holdings of Indonesian food and beverages companies. The data used in this study are the data from annual report of food and beverage companies listed on the Indonesia Stock Exchange for the 2016-2020 period. The company's cash holdings in this study are assessed on the basis of two indicators: a) the ratio of the cash and cash equivalents to the company's total assets; b) the ratio of the cash and cash equivalents to the company's net assets. The sample of the study is presented by 25 companies with 125 observations. For data analysis authors use the panel data regression analysis and the fixed-effect model. Microsoft Excel 2013, Stata/MP 16.0 and Reviews 10 software were used for data processing. The analysis results show that the female CEOs have a significant positive effect on the company's cash holdings, while female CFOs have no significant positive effect on the company's cash holdings. These results have the practical significance because they will help the business owner to make the right decision when he selects candidates for the position of CEO/CFO.

Keywords: *cash holdings, female CEO, female CFO, gender diversity, top management*.

1. Introduction

Lately, many women serve in the highest positions in the company. Based on data published by Grant Thorton International released in the Women in Business 2020 report stated that Indonesia and Mexico were ranked 4th where women were the most in top management positions with 37 percent. The Philippines was ranked highest with 43 percent, followed by South Africa with 40 percent and 3rd place, Poland with 38 percent (Setiawan, 2020).

Efforts in realizing gender equality in Indonesia are also shown in a report released by Grant Thorton International similar to 52 percent of coaching and tutorials, 35 percent resulting in an inclusive culture, and gender-balancing quotas and senior goal setting of 31 percent show an increase from the previous year (Setiawan, 2020). Interestingly, according to Francesca Lagerberg, global leader, Grant Thorton International Ltd, revealed that there was an increase in gender equality at the top management level of companies in the world. The position of female chief executive officer (CEO) or female director this year increased from the previous year by 5 percent that the previous year was only 15 percent this year to 20 percent of managing directors as women. Indonesia also increased from 19 percent to 20 percent where the director is a woman (Hadyan, 2020). Based on the information above, there is an increase in diversity in gender at the top management level of companies in the world, not least in Indonesia. In this case, does the rise of female gender leaders influence policy toward cash holdings?

Faced with each same circumstance and condition, men and women will act differently as a style of communication, leadership style, avoidance and risk, conservatism, and decision-making (Peni & Vahamaa, 2010). Gavious (2012) declares that women have the lower level of indifference compared to men in achieving economic benefits. In Suherman's (2017) study, female CEOs were more conservative than male CEOs. It can be concluded that decision-making and policy will be influenced by gender differences from top management in companies or industries.

2. Literature Review

Agency Theory

Agency theory is the relationship or contract between the principal and the agent. Agency theory states shareholders as principals and management as agents, in their application, there is a possibility that management does not always act in the best interests of the principal (Jensen & Meckling, 1976). Agency theory explores how cons and incentives can be written to motivate individuals to achieve goal alignment. This theory seeks to describe the main factors that should be considered for designing incentive contracts. The Principal delegates his responsibilities including delegation of decision-making authority to the agent (management) to perform certain tasks following the mutually agreed employment contract.

Management that acts following its wishes without regard to the interests of shareholders can increase agency costs and can lower the level of integrity of the company's financial statements. Conflict and friction between agent and principal are caused by information asymmetry, namely information inequality because agents will have more information than the principal (Jensen & Meckling, 1976).

Cash holdings relate to agency theory because ownership of high cash holdings balances in companies can lead to agency conflicts. Managers are the easiest party in using cash holdings to meet their interests. It reflects a conflict of interest between management's primary duties and objectives: improving the well-being of owners or shareholders with management's interests to improve their well-being. A high cash balance can be used by the manager to meet his interests with the burdens that can be borne by the company; the manager also holds a cash balance for the sake of vigilance. However, for the sake of vigilance, the number must always be measured to approach the optimal point. In addition, high cash holdings indicate that managers are less willing to take risks to invest and maximize shareholder profits (Ivan Heriyanto, 2017).

Chief Executive Officer (CEO)

The CEO is the highest leader of a company. In Indonesia, it is commonly interpreted as the highest executive officer or president director. As the supreme leader in a company, a CEO has a task that covers quite extensively in the company, starting from determining the strategic vision of the company, managing employees, seeing the movements of competitors, to managing spending budgets. The CEO is required to be able to lead, manage, protect, and operate at a high level for the sustainability of his company.

CEO as the highest position in a company CEO has roles and tasks that are very important for the survival of the company. The chief executive officer can be identified as a leader, manager, communicator, and

executor. And not only that the CEO also has important tasks including creating a solid team, being the face of the company, managing the company's financial details well, building a positive work culture, and representing the company. The benefits of the CEO are to bring the company he leads to be more advanced, bring in and make more investors so that the capital owned becomes greater, as a bridge for directors with employees, maintaining the good name and image of the company.

If the CEO position is filled by a woman, the work done will tend to be more careful in decision making, women will choose to avoid the risks that exist, and women can affect the company's cash holdings. The relationship of cash holdings with the performance of the company is cash holdings are one form of cash funds available that can be distributed to investors in the form of dividends. So that if the company's performance is good as measured by an increase in net income, then investors will get a large number of dividends. Currently, the position of women in the top management ranks signifies that there are no more gender differences in managing the company (Suherman, 2017). Men cannot underestimate women because the ability to manage a company is undoubtedly by the company.

Chief Financial Officer (CFO)

The CFO or chief financial officer is the head of the company responsible for everything in the financial field. This includes financial planning, record keeping, to the administration of the company. However, the main task of a CFO is to do financial planning and be responsible for the company's cash flow. Not only that, but a CFO must also be able to analyze the financial strength of the company so that it can become the company's policy in the future. In a smaller scope, a CFO can be likened to an organizational treasurer. This is because a CFO is closely related to the financial arrangements of the company, even the accounting functions that are carried out. A CFO is accountable to the CEO and helps deliver decisions in finance, with various forecasts, as well as business analysis. In a company engaged in finance, a CFO is at the helm, but for other industries, a CFO usually occupies the third position in finance.

Overall, the duties and authority of a CFO are many. The following main tasks of a CFO are to oversee the company's financial implementation, treasury, economic strategy, and forecasting. Despite being in third place in the leadership structure, CFOs still have a vital role in the company. The role of the CFO today is different from his role in the past. In the past, a CFO focused solely on managing a company's finances. However, currently, a CFO is required to have creativity and sensitivity to business dynamics. With the financial data owned, the CFO is expected to provide input on the direction of the company's business. The role of the CFO is as an administrator, as a catalyst, as an operator, and as a strategist.

The chief financial officer (CFO) is the position responsible for managing risk in the financial sector, where the CFO is also responsible for recording and reporting financial statements in the company. Cash holdings are heavily influenced by CFOs because the company's financial processes to production and calculation of the numbers that govern the entire process are CFO (Peni & Vahamaa, 2010). A CFO can not only be occupied by a man but also can be occupied by a woman. This difference occurs because women can have a high attitude of conservatism, tend to avoid risk, and be more careful in acting compared to men (Suciani & Purnama, 2019).

Gender

Gender according to the Women's Studies Encyclopedia is a cultural concept used to distinguish roles, behaviors, mentality, and emotional characteristics between men and women that develop in society (Novilia & Nugroho, 2016). From the above definition, it can be understood that gender is a trait that is used as a basis for identifying differences between men and women in terms of social and cultural conditions, values and behaviors, mentality, emotions, and other non-biological factors.

Gender is different from sex. In general, sex is used to identify differences between men and women in terms of biological anatomy, while gender concentrates more on social, cultural, and other non-biological aspects. If the study of sex emphasizes the development of biological aspects and chemical composition in the body of a man and woman, then the study of gender emphasizes the development of aspects of masculinity and femininity. Although gender terminology and sex have very different meanings, the two still have a relationship that cannot be separated. Gender has an important position in a person's life and can determine the life experience he will pursue. Gender can determine a person's access to education, the world of work, and other public sectors (Novilia & Nugroho, 2016).

Cash Holdings

Cash that is in the company should get the attention of the manager. The needs in the short term of the company will be difficult to fulfill, it is because if the company saves little cash. It will cause the company's performance to be considered bad and illiquid, which ultimately raises doubts about investors or others in the company because of the bad image posted by the company. Alternatively, cash if stored too much will also cause losses because the company cannot achieve the maximum level of profitability, which is the profit that should be obtained from the company by utilizing the cash to conduct business activities. The company must determine how much cash is in the hand of the company must own cash in the bank so that there is no excess or lack of cash (Suherman, 2017).

According to Christina and Ekawati (2014), cash holdings are cash that is needed to meet the needs of daily operational activities and can also be used for several things, namely, distributed to shareholders in the form of cash dividends, buying back shares when needed, and for other sudden purposes (Qarina, 2019). According to Ross et al. (2018), cash holdings are three motives, namely, transaction motives, guard motives, and speculation motives.

Theoretically, when it is assumed to be on a perfect capital market, cash holdings become irrelevant because all companies can borrow and lend at the same rate.

However, when it is assumed that there are transaction costs, agency costs, and information asymmetry, the company will find use in conducting cash holdings. In explaining cash holdings, the main theories are commonly used trade-off theory, agency theory, and free cash flow theory.

3. Research Hypothesis

Based on the theories described, and then analyzed critically and systematically, resulting in synthesis about the relationship of variables, then to formulate hypotheses. The variables to be tested in this study will be developed in the research conceptual framework that can be described as follows:

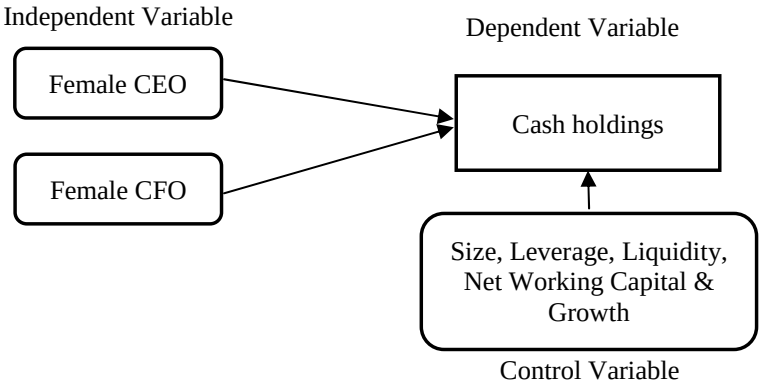


Figure 1. **Research Conceptual Framework**

Female CEOs tend to be more risk-averse and sensitive to risky actions that could jeopardize the company's financial condition, in the Indonesian context it has also been documented that female executives in Indonesia are more conservative in managing financial problems that could lead to lower performance (Suherman et al., 2021). If a woman fills the CEO position, the work done will tend to be more careful in decision-making, women will choose to avoid the risks that exist, and women can affect the company's cash holdings.

The relationship of cash holdings with the company's performance is cash holdings are one form of available cash funds that can be distributed to investors in the form of dividends. Therefore, if the company's performance is good as measured by the increase in net profit, the investor will get many dividends. Currently, the position of women in the top management ranks indicates that there are no more gender differences in managing the company (Suherman, 2017). Women cannot be seen in the eyes of men because of the ability to manage a company that is not in doubt by the company. Based on the stated thinking, the hypotheses in this test are

H_1 Female chief executive officer influences cash holdings.

The business opportunity is an opportunity given to women to focus on a fact that the presence of women on the company's board of directors is suboptimal for the company. Where women must show their existence in business activities and occupy the top management place to lead. The female directors are also considered more accountable, fairer in their business dealings (Adams dan Ferreira, 2009; Gul et al. 2008), and more flexible in improving good relations with the external environment of Assenga et al. (2018) describing them as strong monitors (Chen et al., 2017).

The research of Suherman et al. (2021) stated that the company's cash holdings are becoming higher with the increasing presence of women on the management board. Research conducted by Hoitash et al. (2016) states that the CFO is among the most important executives in the company, in addition to the CEO because it plays an important role in shaping the company's cash policy. Zeng and Wang (2015) and Liang et al. (2018) conducted another study discussing the gender influence of company executives on corporate cash management with topics on the CEO's gender role in corporate cash policy as well as Adhikari (2018) with the topic of the influence of a proportion of female executives on the company's cash holdings. Hamzah and Zulkafli (2014) also noted that female executives are more likely to reduce the potential for takeovers of corporate resources. However, in previous studies, empirical evidence suggests that female executives pursue less risky corporate policies compared to their male counterparts (Faccio et al., 2016; Zeng & Wang, 2015). Another study on the influence of gender on female CFOs was conducted by Astrid (2020), which states that companies with female CFOs hold more cash than male CFOs. Therefore, researchers hope that the presence of female executives on financial boards of directors is more likely to increase the level of cash or cash holdings of companies. Based on the above description, the hypotheses described are as follows:

H_2 female chief financial officer influences cash holdings.

4. Research Methodology

The sample in this study is a food and beverage company listed on the Indonesia Stock Exchange during 2016-2020. The sampling method used is purposive sampling. A purposive sampling method is a method for determining a sample with certain considerations and criteria, in which the sample members will be selected in such a way the sample formed, can represent the properties of the population. From the above criteria obtained a sample of 25 companies with a 5-year

observation period so that the number of observation data amounted to 125 observation data.

For the processing of the sample, data obtained in the study was based on electronic facilities with Microsoft Excel 2013 and Stata/MP version 16.0 and Reviews version 10 tools. It made it easier and able to explain the variables studied, namely, to determine the influence between female CEOs variables, and female CFO with control variables namely size, leverage, liquidity, net working capital, and growth on cash-holding variables. Statistical methods used to analyze data and test hypotheses are using descriptive statistics, normality tests, multicollinearity tests of heteroscedasticity tests, and hypothesis tests using multiple linear regression model-fixed effect.

5. Results and Discussion

5.1 Descriptive Statistics

Descriptive statistical research provides an overview or description of data that can be seen from the mean values, standard deviations, variance, maximum, minimum, sum, range, kurtosis, and skewness. Descriptive statistical overview of the following research variables:

Table 1

Variable	Obs	Mean	Std. Dev.	Min	Max
CH1	125	.114645	.1202241	.0005804	.4632975
CH2	125	.1487322	.1738107	.0005808	.7012274
CEO	125	.344	.4769527	0	1
CFO	125	.328	.4713741	0	1
SIZE	125	14.56255	1.607009	10.6605	18.9101
LEV	125	.8836357	1.024695	-2.654624	5.370109
LIQ	125	2.365371	2.192515	.0114749	13.26727
NWC	125	.1412821	.4106403	-2.416231	.7956873
GRO	125	.0960637	.2627906	-.7858413	1.903024

Source: Stata/MP 16.0

Based on the data above describes the highest average value is the size with 14.56255 and the lowest value is growth with a value of 0.0960637. While for the highest value of the standard deviation is liquidity with a value of 2.192515, while the value of 0.1738107 is the lowest value for the standard deviation, namely on variable cash holdings (CH2).

5.2 Classic Assumption Test

Normality Test

In this study, using two measurements for dependent variables in this case are cash holdings (CH1 and CH2), then in this study will produce 2 results from each test. The first normality test is a dependent variable for the CH1 indicator with independent variables of female CEOs and female CFOs as well as all variables of size control, leverage, liquidity, net working capital, and growth. Here are the normality test results in figure 2.

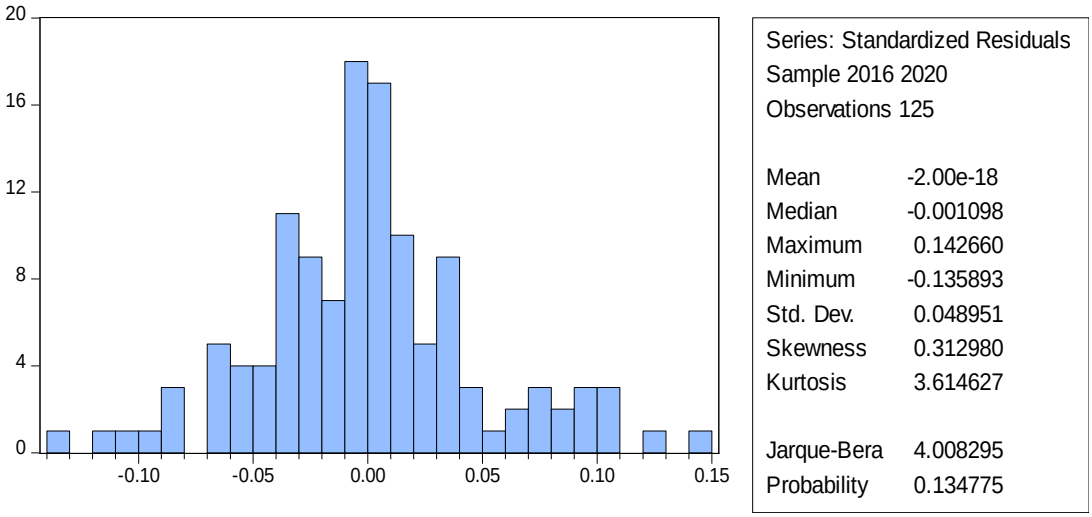
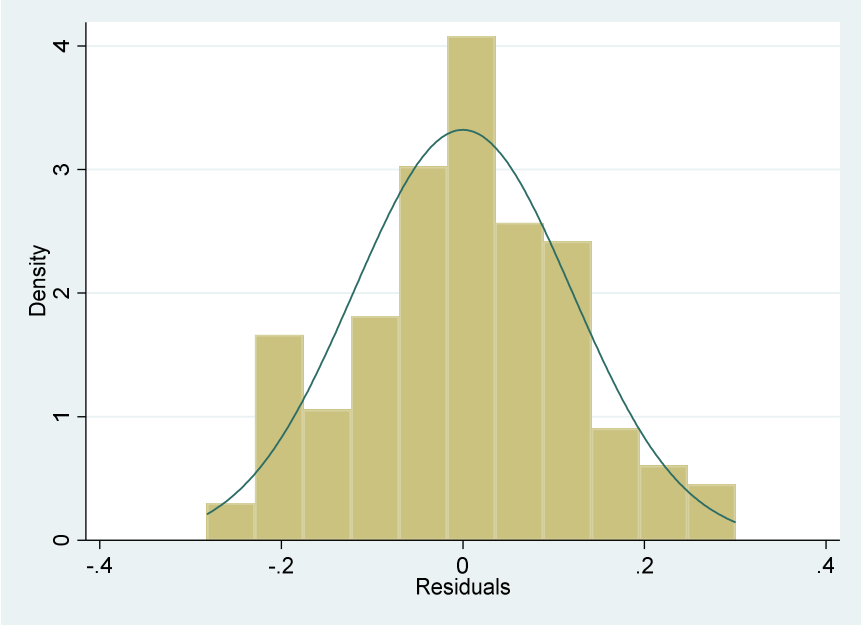


Figure 2. **CH1 Indicator Normality Test**

Based on the histogram (see the fig. 2), it appears that the data are normal distribution. The value of 4.008295 with a p-value of 0.134775 where the normal distribution value of $p > 0.05$ means residual research distributes normally.

The normality test for the CH2 indicator can be seen from the results given below in figure 3.



Shapiro-Wilk W test for normal data

Variable	Obs	W	V	z	Prob>z
simpan_dat~l	125	0.99169	0.828	-0.425	0.66444

Figure 3. **CH2 Indicator Normality Test**

Based on the histogram chart above, it appears that the data are close to the normal curve, and strengthened by the Shapiro-wilk test the probability value is 0.66444 where the value above the signifikas p > 0.05 so that it can be said that the data are normal.

Multicollinearity Test

The Multicollinearity test tests whether regression models find correlations between independent variables. A good regression model should not correlate with independent variables. If the value of VIF > 10 or tolerance (1/VIF) is 0.10 or less than the data indicate the existence of multicollinearity.

Table 2

CH1 Multicollinearity Test

Variable	VIF	1/VIF
LIQ	5.42	0.184561
SIZE	4.92	0.203397
CFO	3.50	0.285788
CEO	3.04	0.329047
NWC	2.62	0.381649
LEV	2.35	0.425476
GRO	1.42	0.705798
Mean VIF	3.32	

Source: Stata/MP 16.0

Based on table 4.4, it is seen that the VIF value of 3.32 is less than 10 and the tolerance value of 1/VIF is not smaller than 0.10, so it can be described as the research data do not occur multicollinearity problems. Other tests related to multicollinearity can also be done with pearson correlation, that is, if the correlation coefficient value exceeds 0.80, then there are symptoms of multicollinearity. Here are the results of the second multicollinearity test in the table below:

Table 3

Multicollinearity Test CH2

	CH2	CEO	CFO	SIZE	LEV	LIQ	NWC	GRO
CH2	1.0000							
CEO	0.2915	1.0000						
CFO	0.3306	0.6778	1.0000					
SIZE	0.1324	-0.3543	-0.2483	1.0000				
LEV	-0.2589	-0.1684	-0.1158	0.1826	1.0000			
LIQ	0.6084	0.3963	0.5070	-0.0486	-0.2635	1.0000		
NWC	0.4538	0.1761	0.3596	0.1327	0.1662	0.6267	1.0000	
GRO	0.1932	-0.0039	-0.1399	0.1500	0.1213	0.0216	0.2855	1.0000

Source: Stata/MP 16.0

Based on the results of the multicollinearity test above shows no independent and control variables have cholera coefficients exceeding the value of 0.80, so it can be explained that the research model does not have multicollinearity.

Heteroskedasticity Test

This heteroskedasticity test tests whether in regression models there is a variant inequality from residual one observation to another. If the variant from residual one observation to another observation remains, it is called homoskedasticity, and if different is called heteroskedasticity. A good regression model is a homoskedasticity or no heteroskedasticity (Ghozali, 2011). Heteroskedasticity testing can be done with the Glejser test. Glejser Test decision was obtained with a significant value of 0.05. If $\alpha < 0.05$, heteroskedasticity occurs, but if $\alpha > 0.05$ then the data do not occur heteroskedasticity or can be said homoskedasticity data. Here are the results of the heteroskedasticity test.

Table 4

Heteroskedasticity Test CH1

Dependent Variable: CH1
Sample: 2016 2020
Periods included: 5
Cross-sections included: 25
Total panel (balanced) observations: 125

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.036193	0.157624	-0.229614	0.8189
CEO	0.011907	0.013241	0.899239	0.3708
CFO	0.001297	0.008940	0.145030	0.8850
SIZE	0.004689	0.010925	0.429199	0.6688
LEV	-0.006417	0.004265	-1.504481	0.1358
LIQ	0.001061	0.002435	0.435928	0.6639
NWC	0.000362	0.012585	0.028768	0.9771
GRO	0.020737	0.012001	1.728006	0.0873

Source: Views 10

Table 5

Heteroskedasticity Test CH2

Dependent Variable: CH2
Sample: 2016 2020
Periods included: 5
Cross-sections included: 25
Total panel (balanced) observations: 125

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.010747	0.466193	0.023053	0.9817
CEO	0.038442	0.039162	0.981627	0.3288
CFO	-0.008793	0.026440	-0.332566	0.7402
SIZE	0.003948	0.032311	0.122176	0.9030
LEV	-0.008915	0.012615	-0.706704	0.4815
LIQ	0.006090	0.007201	0.845704	0.3999
NWC	0.012825	0.037221	0.344577	0.7312
GRO	0.056944	0.035494	1.604348	0.1120

Source: Views 10

Based on tables 4 and 5 above can be known the probability value of each variable exceeds the value of 0.05 or nothing less than a significant value α < 0.05 so that it can be developed that research data are free from heteroskedasticity.

5.3 Hypothesis Testing

Hypothesis testing was conducted in this study using multiple linear regressions. Multiple linear regression analysis is an associate analysis used simultaneously to examine the influence of two or more independent variables on one dependent variable (Chanifah, 2020). Testing the hypothesis of this study was to test the influence of female chief executors and female chief financial officers on corporate cash holdings using multiple linear regressions with fixed-effect models. Hypothesis testing in this study uses the t-test. The t-test is used to determine the influence of each independent variable or dependent variable.

The significant results of each coefficient in multiple linear regressions on the first cash holdings indicator (CH1), can be seen in table 6:

Table 6

Hypothesis Test (CH1)

```
Fixed-effects (within) regression               Number of obs     =       125
Group variable: KODE                            Number of groups  =        25

R-sq:                                           Obs per group:
     within  = 0.3522                                         min =         5
     between = 0.1109                                         avg =       5.0
     overall = 0.1461                                         max =         5

                                                F(7,93)           =      7.22
corr(u_i, Xb)  = -0.4166                        Prob > F          =    0.0000
```

CH1	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
CEO	.0868317	.0307809	2.82	0.006	.0257069	.1479565
CFO	.0128838	.0226207	0.57	0.570	-.0320364	.057804
SIZE	-.0264902	.0235501	-1.12	0.264	-.0732561	.0202757
LEV	-.0212472	.0090398	-2.35	0.021	-.0391985	-.0032959
LIQ	.00669	.0051626	1.30	0.198	-.003562	.016942
NWC	.0434416	.026637	1.63	0.106	-.0094543	.0963374
GRO	.0861373	.0261258	3.30	0.001	.0342567	.1380179
_cons	.4548528	.3400168	1.34	0.184	-.2203531	1.130059
sigma_u	.11151505					
sigma_e	.05652321					
rho	.79559978	(fraction of variance due to u_i)				

```
F test that all u_i=0: F(24, 93) = 8.53                     Prob > F = 0.0000
```

Source: Stata/MP 16.0

The data in table 6 show the following:

1) The independent variable of female CEOs in table 6 shows that the coefficient of female CEOs variables is positive 0.0868317 is the value of the regression coefficient of female CEO' variables to cash holdings (CH1) meaning that if the female CEO variable increases by one unit then the CH1 variable will increase by 0.0868317 or 8.6883%. And at p-value worth 0.006, which is less than a significant value (α = 0.05) then it can be argued that the variable of female CEOs has a significant positive effect on the variable cash holdings (CH1).

2) The independent variable of female CFOs in table 6 shows that the coefficient of female CFO variables is positive 0.0128838 is the value of the regression coefficient of female CFO variables to cash holdings (CH1) meaning that if the female CEOs variable increases by one unit then the CH1 variable will increase by 0.01288 or 1.288%. And at the p-value of 0.570, which is greater than the significant value (α = 0.05) then it can be explained that the variable CFO of women has a positive effect on the variable cash holdings (CH1).

3) The size control variable in table 6 shows that the negative size variable coefficient -0.0264902 is the regression coefficient value of the variable size to cash holdings (CH1) meaning that if the size variable increases by one unit then the CH1 variable will decrease by 0.0264902 or 2.6490%. And at the p-value worth 0.264, which is greater than the significant value (α = 0.05) then it can be said that the variable size has an insignificant

negative effect on the variable cash holdings (CH1).

4) The leverage control variable in table 6 shows that the negative leverage variable coefficient of -0.0212472 is the regression coefficient value of leverage variables against cash holdings (CH1) meaning that if the leverage variable increases by one unit then the CH1 variable will decrease by 0.0212472 or 2.1224%. And at the p-value worth 0.021, which is less than a significant value (α = 0.05) then it can be said that the leverage variable has a significant negative effect on the variable cash holdings (CH1).

5) Liquidity control variable in table 6 shows that the liquidity variable coefficient is positive 0.00669 is the value of the liquidity variable regression coefficient to cash holdings (CH1) meaning that if the liquidity variable increases by one unit then the CH1 variable will increase by 0.00669 or 0.669%. And at the p-value of 0.198, which is greater than the significant value (α = 0.05) it can be said that liquidity variables have a positive effect on cash holdings variables (CH1).

6) The net working capital in table 6 shows that the variable ratio is positive value 0.0434416 is the value of the regression coefficient of net working capital variables to cash holdings (CH1) meaning that if the net working capital variable increases by one unit then the CH1 variable will increase by 0.0434416 or 4.34%. And at the p-value worth 0.106, which is greater than the significant value (α = 0.05) then it can be said that the net working capital variable has a positive effect on the variable cash holdings (CH1).

7) The independent growth variable in table 6 shows that the positive growth variable coefficient of 0.0861373 is the regression coefficient value of growth variables to cash holdings (CH1) meaning that if the growth variable increases by one unit then the CH1 variable will increase by 0.0861373 or 8.6137%. In addition, at the p-value worth 0.001, which is less than a significant value (α = 0.05) then it can be said that the growth variable has a significant positive effect on the variable cash holdings (CH1).

The results of the CH1 indicator hypothesis test showed that female CEOs, leverage, and growth had a significant effect on cash holdings variables, while for female CFO variables, size, liquidity, and net working capital had no significant effect on cash holdings with the first indicator (CH1).

Furthermore, to determine the significant results of each coefficient between independent variables (female CEO and female CFO) as well as variables of size control, leverage, liquidity, net working capital, and growth against dependent variables on the second cash holdings indicator (CH2) in multiple linear regressions, can be seen in Table 7 as follows:

Table 7

Hypothesis Test (CH2)

```
Fixed-effects (within) regression               Number of obs     =       125
Group variable: KODE                            Number of groups  =        25

R-sq:                                           Obs per group:
     within  = 0.2803                                         min =         5
     between = 0.0839                                         avg =       5.0
     overall = 0.1069                                         max =         5

                                                F(7,93)           =      5.17
corr(u_i, Xb)  = -0.4714                        Prob > F          =    0.0001
```

CH2	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
CEO	.0961047	.0469419	2.05	0.043	.0028874	.189322
CFO	.036713	.0344973	1.06	0.290	-.0317917	.1052177
SIZE	-.0488717	.0359147	-1.36	0.177	-.1201912	.0224478
LEV	-.0309998	.013786	-2.25	0.027	-.0583761	-.0036235
LIQ	.006226	.0078732	0.79	0.431	-.0094086	.0218605
NWC	.0712325	.0406223	1.75	0.083	-.0094354	.1519004
GRO	.1115842	.0398427	2.80	0.006	.0324646	.1907038
_cons	.8072096	.5185366	1.56	0.123	-.2225014	1.836921
sigma_u	.16864386					
sigma_e	.08619974					
rho	.79285874	(fraction of variance due to u_i)				

```
F test that all u_i=0: F(24, 93) = 7.37                     Prob > F = 0.0000
```

Source: Stata/MP 16.0

1) The independent variable of female CEOs in table 7 shows that the coefficient of female CEO' variables is positive 0.0961047 is the value of the regression coefficient of female CEO' variables to cash holdings (CH2) meaning that if the female CEO variable increases by one unit then the CH1 variable will increase by 0.0961047 or 9.6105%. In addition, at the p-value of 0.043, which is less than a significant value (α = 0.05), it can be said that the variable of female CEO has a significant positive effect on the variable cash holdings (CH2).

2) The independent variable of female CFOs in table 7 shows that the coefficient of female CFO variables is positive 0.036713 is the value of the regression coefficient of women's CFO variables to cash holdings (CH2) meaning that if the female CFO variable increases by one unit then the CH1 variable will increase by 0.036713 or 3.6713%. Moreover, at the p-value worth 0.290, which is greater than the significant value (α = 0.05) then it can be said that the variable CFO of women has a positive effect not significantly on the variable cash holdings (CH2).

3) The size control variable in table 7 shows that the negative size variable coefficient -0.0488717 is the regression coefficient value of the variable size to cash holdings (CH2) meaning that if the size variable increases by one unit then the CH1 variable will decrease by 0.0488717 or 4.8872%. In addition, at the p-value of 0.177, which is greater than the significant value (α = 0.05), it can be said that the variable size harms the variable cash holdings (CH2).

4) The leverage control variable in table 7 shows that the coefficient of the leverage variable is negative -0.0309998 is the regression coefficient value of the leverage variable against cash holdings (CH2) meaning that if the leverage variable increases by one unit then the CH1 variable will decrease by 0.0309998 or 3.09%. And at the p-value of 0.027, which is less than a significant value (α = 0.05), it can be said that the leverage variable has a significant negative effect on the variable cash holdings (CH2).

5) Liquidity control variable in table 7 shows that the liquidity variable coefficient is positive value 0.006226 is the value of the liquidity variable regression coefficient to cash holdings (CH2) means that if the liquidity variable increases by one unit, the CH1 variable will increase by 0.006226 or 0.6226%. And at the p-value worth 0.431, which is greater than the significant value (α = 0.05) then it can be said that liquidity variables have a positive effect not significantly on the variable cash holdings (CH2).

6) The control variable of net working capital in table 7 shows that the variable ratio is positive value 0.0712325 is the value of the regression coefficient of net working capital variables to cash holdings (CH2) meaning that if the net-working capital variable increases by one unit then the CH1 variable will increase by 0.0712325 or 7.1233%. In addition, at the p-value worth 0.083, which is greater than the significant value (α = 0.05) then it can be said that the net working capital variable has a positive effect not significantly on the variable cash holdings (CH2).

7) The growth control variable in table 7 shows that the positive growth variable coefficient of 0.1115842 is the regression coefficient value of growth variables to cash holdings (CH2) meaning that if the growth variable increases by one unit then the CH1 variable will increase by 0.1115842 or 11.1584%. And at the p-value worth 0.006, which is less than a significant value (α = 0.05), it can be said that the growth variable has a significant positive effect on the variable cash holdings (CH2).

The results of the CH2 indicator hypothesis test showed that female CEOs, leverage, and growth had a significant effect on cash holdings variables, while female CFO variables, size, liquidity, and net working capital had no significant effect on cash holdings (CH2).

5.4 Discussion

The first test hypothesis alleged result that female CEOs had a positive relationship to corporate cash holdings, as well as the second hypothesis that female CFOs were positively associated with corporate cash holdings. In this study, the dependent variables were evaluated by two indicators and divided into two indicators CH1 and CH2. Empirical evidence from this study shows that female chief executors have a positive influence on corporate cash holdings. In table 4.5 the CH1 indicator in table 4.5 where the female CEOs show a positive relationship with a coefficient value of 0.08683 and significant at ($p < 0.01$) and in the second indicator ch2 in table 4.6 where the female CEO also shows a positive relationship with a stronger coefficient value of 0.0961 significantly at ($p < 0.05$). Based on these results from testing using two different measures of cash holdings researchers confirmed that empirical evidence-provided support for the first hypothesis. Thus, the research could contribute to a growing literature on female executives towards corporate cash holdings.

The results of the first variable female CEOs positively affect the company's cash holdings on both the CH1 and CH2 indicators, showing that companies led by female CEOs have more cash holdings than male CEOs in companies, thus having a higher ability to withstand risk. By the motive of high cash holdings, transactions will lower transaction costs by using cash such as cash purchases will be cheaper than credit purchases. Companies led by female CEOs hold high cash holdings so it can be said that capital expenditure levels become lower. In line with research that says female CEOs have higher levels of cash ownership and result in lower levels of over-investment problems (Winarta et al., 2018).

High cash holdings agree with the theory of motive in case of future uncertainty. This agrees with Zeng and Wang's previous research (2015) who say female CEOs hold more company cash, it shows women are more focused on the motive of being on guard so less concerned with the opportunities of the cash. Another study by Suherman (2017) and Suherman et al. (2021) explained female CEOs tend to hold more corporate cash holdings and women tend to be more conservative compared to male CEOs. Therefore, female CEOs tend to be less likely to invest in risky projects compared to male CEOs. It also indicates that gender diversity on boards relieves agency fees from the free cash flow theory

(Suherman, 2017). In another study said that female executives tended to hold more money for unexpected motives (La Rocca et al., 2019).

In the second hypothesis, it is suspected that female CFOs are positively associated with corporate cash holdings. Empirical evidence from this study shows that female chief financial officers do not affect a company's cash holdings. This can be seen in the first indicator CH1 in table 4.5, where the ratio value is 0.01288 and the significant value shows 0.570 where it is greater than the cynical value ($p < 0.05$). In the second indicator in table 4.6, the ratio value shows 0.0367 and the significant value is 0.290 where this value is greater than ($p < 0.05$). Based on these results from testing using two different measures of cash holdings researchers confirmed that empirical evidence provides no support for the second hypothesis.

The result of the second independent variable, the female CFO, did not affect the company's cash holdings either the CH1 indicator or the second indicator of CH2. The results are not in line with previous research that said female CFOs had a significant positive influence on corporate cash holdings (Adams & Ferreira, 2009; Pangestika, 2020). This is inversely proportional to the precautionary motive where cash is stored for reserve funds of unexpected purposes. Likely, the CFO is still weak in terms of taking decisions where the CFO must get approval from the CEO. So in terms of cash ownership, the CFO company plays a role in holding the company's cash but in terms of expenditure both operational payments and expenditures for investment capital and others must get approval from the CEO.

The results of this study agree with florackis and Sainani's (2018) research, in their study dividing two indexes between strong CFOs and weak CFOs, their research resulted in strong CFOs having far less cash than companies with weak CFOs do, ceteris paribus. They also said the CFO effect documented in the study went beyond the effect caused by the chief executive officer (CEO). Companies with strong CFOs are well-positioned to hold less cash due to relatively weak prudential motives and superior ability to increase external financing during periods of financial distress. Consistent with the agency's explanation, the results also showed that strong CFOs fulfilled monitoring roles in companies at higher agency costs.

The size control variable has no significant negative effect. It states that the higher the size of the company, the smaller the company's cash holdings. Assume a large company will easily obtain loans or funds for the company's activities so there is no need to hold more cash (Suherman, 2017). Large companies will be more likely to invest than to cash. This significant negative leverage control variable states that the higher the value of the company's debt, the smaller the company's cash. This allows debt to be a substitute for cash in financing the company's activities. Liquidity variables have an insignificant positive effect, indicating that liquidity is important in determining a company's cash holdings. The company's ability to meet its short-term obligations will affect the company's cash value.

The net working capital control variable has a positive effect that is not significant, this shows that the greater the net working capital, the larger the company will hold the company's cash. The net working capital is a net asset of current assets reduced by current debt; the company's cash is a current asset so that in this case net working capital is more assets than cash and cash equivalents. The variety of growth control has a significant positive effect, which shows that revenue growth will increase receipts of receivables so that the company's cash will increase. This agrees with the findings of Jingkar (2013) who said there is a positive relationship between growth and cash holding companies.

6. Conclusions

The study results show that the female CEOs have a significant positive effect on the company's cash holdings, while female CFOs have no significant positive effect on the company's cash holdings. The practical significance of these results is that they will help the business owner to make the right decision when he selects candidates for the position of CEO/CFO.

It was found that women CEOs hold more ownership of the company's cash so that the ability to withstand risk becomes higher, in which case the level of investment or capital expenditure becomes lower. This is because women are more conservative and more cautious, this agrees with the cash holdings theory of a trade-off theory in which companies hold larger cash holdings to meet the needs of ongoing and ongoing activities-related expenses and potential unforeseen events to avoid more expensive external financing or forced asset liquidation. High cash holdings are also associated with agency theory, according to Suherman et al. (2021). Because high corporate cash indicates, female executives are more careful when it comes to overinvestment that can create agency conflicts with shareholders to reduce agency costs and increase shareholder wealth. More cash holdings also correspond to the motive of the transaction, where transaction costs can be lower by using cash such as cash purchases will be cheaper than credit purchases. As well as the motive of speculation, using cash to get the advantage of attractive interest rates and fluctuations in the value of the exchange rate.

The female CFOs in the study did not hold more money; this is because female CFOs are still less strong in decision-making due to the effects caused by the influence of CEOs. This is not in line with the motive of cash holdings, namely just in case cash is used as a reserve fund for unexpected purposes that might occur in the company's operations. Female CFOs hold lower corporate cash to avoid agency conflicts, where if the company's cash is too high it can be a potential agent in this case management to meet their interests with the burdens that can be borne by the company, the manager also holds a cash balance for the sake of vigilance. Nevertheless, for the sake of vigilance, the number must always be measured to approach the optimal point.

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