

ALIGNING TAX PLANNING AND CSR STRATEGY TO BOOST FIRM VALUE: THE MODERATING POWER OF FEMALE BOARD REPRESENTATION

HUBERTUS ADE RESHA RADITYA BOLI*

Universitas Pelita Harapan, Jl. Boulevard MH Thamrin No. 1100, Tangerang, Indonesia
uph.hubertusade@gmail.com

Received: November 20, 2025; Revised: January 21, 2026; Accepted: January 21, 2026

Abstract: *This research examined the effect of tax planning and corporate social responsibility (CSR) strategy on firm value, with board gender diversity (BGD) as a moderating variable. This study used a quantitative approach with secondary data from 43 food and beverages companies listed on the Indonesia Stock Exchange (IDX) during 2020-2024, resulting in 215 firm-year observations. Data were analyzed using multiple linear regression and moderated regression analysis (MRA) with STATA 19 software. The results showed that both tax planning and CSR strategy had a positive and significant effect on firm value, indicating that transparent fiscal management and responsible CSR practices improve market performance. However, board gender diversity did not significantly moderate the relationship between tax planning and firm value but positively moderated the relationship between CSR strategy and firm value. This research contributes to the literature on corporate governance and sustainability by integrating tax behavior, CSR, and board diversity as determinants of firm value, and it provides practical insights for policymakers and corporate leaders to align governance structures with sustainable growth goals.*

Keywords: Tax Planning, CSR Strategy, Firm Value, Board Gender Diversity

INTRODUCTION

Financial statements constitute a fundamental instrument of corporate accountability, encapsulating a company's financial position, performance, and governance quality. For investors, evaluation extends beyond profit magnitude to the underlying managerial processes that shape it. In this context, firm value emerges as a comprehensive reflection of these managerial practices and their implications for sustainable corporate performance. It represents an integrated indicator of long-term prospects, governance resilience, and decision-making quality that underpins corporate sustainability (Elamer et al. 2024), capturing how effectively management

aligns profitability, ethical conduct, and strategic orientation toward enduring value creation.

In contemporary capital markets, tax planning and corporate social responsibility (CSR) increasingly central to investor perceptions. Globally, the Apple-Ireland tax arrangement controversy exemplifies how aggressive tax planning practices, though initially designed to minimise tax burdens, can lead to market penalties, investor distrust, and a temporary decline in market capitalisation. In Apple's case, the European Commission ruled in 2016 that Ireland had granted the company undue tax benefits worth approximately €13 billion, constituting illegal state aid under EU competition law. This decision not only sparked extensive media scrutiny but also prompted

investors to reassess Apple's exposure to regulatory risk and reputational damage, momentarily dampening market sentiment despite its strong financial fundamentals.

The Indonesian context provides a pertinent illustration of CSR-related governance dynamics. The case of PT Timah Tbk. revealed the misuse of CSR funds to conceal illicit financial flows, with potential losses estimated at IDR 271 trillion. Court documents indicated the channeling of funds through money changers disguised as CSR activities. From an accounting standpoint, such practices distort expense classifications, bias disclosures, and heighten exposure to environmental provisions and contingent liabilities. As information reliability declines, investors reassess future cash flow risks. The market response was evident in TINS shares, which fell by about 7% in March 2024, then fluctuated before partially recovering in April, reflecting adjustments to perceived legal and cash flow risks.

These cases underscore the critical importance of transparent and ethical tax planning and management of CSR. Accordingly, this study aims to examine the effects of CSR strategy and tax planning on firm value. Research on the relationship between tax planning and firm value has grown rapidly alongside global calls for transparent and responsible governance. Yet empirical findings remain inconclusive. Some studies find that tax planning indicators are positively associated with firm valuation and may even precede changes in value, suggesting that tax signals are quickly incorporated into market expectations (Nebie and Cheng 2023). However, in firms with strong sustainability credentials, this relationship weakens, as markets view aggressive tax strategies as inconsistent with credible ESG commitments (Elamer et al. 2024).

Similarly, the impact of CSR on firm value depends on its strategic integration. The market rewards firms that adopt CSR initiatives aligned with innovation and above-industry standards, but generic or compliance-driven

disclosures do not necessarily enhance firm value and may even dilute the benefits of innovation (Choi and Yoo 2022). Furthermore, variations in ESG scoring methodologies and discrepancies between disclosure narratives and actual performance contribute to market mispricing risks (Tarnaud and Zakriya 2025). These inconsistencies highlight the importance of signal credibility and measurement quality in understanding how CSR and tax behavior affect firm value.

Against this backdrop, this study provides a novel contribution by incorporating board gender diversity (BGD) as a moderating variable in examining the effects of tax planning and CSR strategy on firm value. From a Good Corporate Governance (GCG) perspective, BGD is an important indicator of oversight effectiveness and governance quality. The inclusion of women on boards enhances strategic decision-making by introducing diverse perspectives and ethical sensitivity, which can improve both governance outcomes and firm value. Furthermore, to ensure the robustness of the model, the study incorporates control variables that are commonly associated with firm valuation, namely profitability, leverage, firm size, and firm age. These variables help isolate the unique effects of tax planning, CSR strategy, and board gender diversity on firm value, thereby enhancing the validity and interpretability of the empirical results.

This research makes three primary contributions that enhance both theoretical understanding and empirical rigour. First, the study offers model integration by simultaneously examining the influence of tax planning and CSR strategy on firm value among Indonesian listed firms. This integrated approach allows for a more nuanced analysis of how the market interprets tax-related signals when evaluated within a sustainability-oriented framework (Nebie and Cheng 2023; Elamer et al. 2024). By addressing both dimensions together, the study captures the interaction between financial efficiency and social responsibility in shaping firm valuation.

Second, the research introduces enhanced CSR measurement through the use of the LSEG CSR strategy score as a proxy. This measure emphasizes the strategic integration of CSR into corporate decision-making rather than mere disclosure breadth, thereby addressing a key methodological limitation in previous studies. The LSEG CSR strategy score classified under the governance pillar and expressed on a 0-100 percentile scale, applies penalties for the non-disclosure of material indicators, which enhances its sensitivity to credibility and reporting consistency. The study also employs the ESGC variant, which helps control for potential bias from firms that are strong in narrative communication but weak in substantive CSR actions ([Choi and Yoo 2022](#)).

Third, the study highlights governance moderation by positioning board gender diversity (BGD) as a moderating variable. BGD is expected to strengthen the positive effects of prudent managerial policies, such as responsible tax planning and strategic CSR, while mitigating the adverse consequences of opportunistic or unethical practices. This moderating role underscores the governance value of gender diversity in reinforcing ethical discipline, enhancing decision-making quality, and supporting sustainable firm value creation.

Ultimately, the findings of this research will be valuable for corporate policymakers seeking to align tax and CSR strategies with investor expectations and governance standards. By highlighting the moderating role of board gender diversity, the study offers practical insights into how inclusive governance structures can strengthen ethical oversight, reduce information asymmetry, and enhance strategic coherence between fiscal and social objectives. For regulators, the results may inform the development of policies that incentivize transparent tax behavior and credible CSR implementation as complementary mechanisms of corporate accountability. At the scholarly level, this research contributes to the ongoing debate in the literature, characterized by mixed

empirical results, by integrating governance composition into the nexus of tax planning, CSR, and firm value, thereby advancing a more holistic understanding of how managerial decisions translate into market valuation.

Literature Review and Hypothesis Development

Tax planning is a key financial strategy aimed at optimizing tax obligations within legal boundaries. According to Agency Theory, managers seek to maximize shareholder wealth by improving profitability and cash efficiency, which can be achieved through effective tax management ([Jensen and Meckling 1976](#)). Empirical studies show mixed effects of tax planning on firm value. [Kirkpatrick and Radicic \(2020\)](#) found that aggressive tax planning reduces firm value due to reputational risks, while [Nebie and Cheng \(2023\)](#) reported positive effects when supported by strong governance. ([Elamer et al. 2024](#)) and ([Ahmed and Khalaf 2025](#)) further highlighted that transparency, ethical conduct, and ESG performance can mitigate negative perceptions and enhance market trust.

Financially, efficient tax planning increases net income and cash flow, supporting investment, reducing external financing, and improving dividend capacity, all of which strengthen investor confidence. However, overly aggressive practices without transparency may harm credibility. Thus, balanced, and ethical tax planning is likely to enhance firm value through improved tax efficiency, profitability, and market signaling. Based on the theoretical foundation and empirical evidence, this study posits the following hypothesis:

H₁: Tax planning positively affects firm value.

Corporate Social Responsibility (CSR) has evolved into a core business strategy, emphasizing that corporate sustainability depends not only on financial performance but also on creating value for society and the environment. Within Stakeholder Theory, CSR strengthens stakeholder relations and enhances firm value ([Freeman 1994](#)). Empirical evidence

shows that only strategic, credible CSR initiatives increase firm value. [Choi and Yoo \(2022\)](#) found that CSR aligned with innovation is rewarded by the market, while symbolic actions are not. [Tarnaud and Zakriya \(2025\)](#) highlighted that inconsistent ESG measurement can weaken this effect.

Furthermore, [\(Ahmed and Khalaf 2025\)](#) showed that strong ESG performance and adequate financial capacity amplify CSR's positive impact, and [\(Faizah and Ediraras 2021\)](#) noted that CSR enhances value mainly when it improves profitability. Overall, strategic, and transparent CSR creates firm value by strengthening stakeholder trust, legitimacy, and long-term stability. Based on these arguments, this study proposes the following hypothesis:

H₂: CSR strategy has a positive effect on firm value.

Within the framework of Good Corporate Governance (GCG), BGD plays a crucial role in ensuring that strategic decisions, particularly those related to tax planning and CSR, are implemented ethically, transparently, and with a long-term sustainability orientation. Grounded in Agency Theory [\(Jensen and Meckling 1976\)](#) and Stakeholder Theory [\(Freeman 1994\)](#), gender diversity within the board enhances oversight quality and enriches perspectives in balancing the firm's economic and social objectives. In the context of tax planning, BGD strengthens board oversight by reducing the likelihood of overly aggressive tax practices through greater prudence and accountability. Studies by [Nebie and Cheng \(2023\)](#) and [Elamer et al. \(2024\)](#) demonstrate that gender-diverse boards mitigate reputational and ethical risks, ensuring that tax strategies contribute positively to firm value rather than undermining it.

Meanwhile, in the context of CSR strategy, gender diversity ensures that CSR initiatives are strategically integrated and credible. [Li et al. \(2022\)](#) found that BGD enhances the positive relationship between CSR

and firm value, as female directors tend to be more sensitive to social and reputational concerns. Similarly, [Huang \(2024\)](#) shows that a balanced gender composition leads to more effective decision-making, while [Yoo et al. \(2024\)](#) and [Tarnaud and Zakriya \(2025\)](#) highlight that BGD improves CSR disclosure transparency and credibility. Thus, BGD serves as a governance mechanism that strengthens firm value through two primary channels: ensuring that tax planning is conducted responsibly and enhancing the effectiveness of CSR strategy as a sustainable, value-creating practice. Based on the theoretical reasoning and empirical evidence discussed, this study proposes the following hypotheses:

H₃: Board gender diversity strengthens the relationship between tax planning and firm value.

H₄: Board gender diversity strengthens the relationship between CSR strategy and firm value.

METHOD

This study examines publicly listed firms on the Indonesia Stock Exchange (IDX) during 2020-2024. Using purposive sampling, 43 firms were selected, producing 215 firm-year observations after excluding outliers. The sample includes food and beverage companies that consistently published audited annual reports and provided complete data on tax planning, CSR strategy score, firm value, board gender diversity, and control variables (profitability, leverage, firm age, and firm size). The study relies exclusively on secondary data obtained from verified public sources, including LSEG Refinitiv Eikon, the IDX official database, and each company's annual reports published on their investor-relations websites.

The empirical analysis employs multiple linear regression and Moderated Regression Analysis (MRA) to test the relationships among the variables. All analyses are executed in STATA version 19. The analytical sequence comprises descriptive statistics, normality test,

model-specification tests, and partial significance testing to ensure the accuracy and reliability of the estimated parameters. The baseline and moderating models are expressed as follows:

Model 1

$$FV_{it} = \beta_0 + \beta_1 TP_{it} + \beta_2 CSR_{it} + \beta_3 BGD_{it} + \beta_4 ROA_{it} + \beta_5 LEV_{it} + \beta_6 SIZE_{it} + \beta_7 AGE_{it} + \varepsilon$$

Model 2

$$FV_{it} = \beta_0 + \beta_1 TP_{it} + \beta_2 CSR_{it} + \beta_3 BGD_{it} + \beta_4 TPxBGD_{it} + \beta_5 CSRxBGD_{it} + \beta_6 ROA_{it} + \beta_7 LEV_{it} + \beta_8 SIZE_{it} + \beta_9 AGE_{it} + \varepsilon$$

Information:

β_0	: Constant Coefficient
$\beta_1, \beta_2, \dots \beta_7$: Regression Coefficient
i	: Firm i
t	: Year t
FV	: Firm Value
TP	: Tax Planning
CSR	: CSR Strategy
BGD	: Board Director Diversity
ROA	: Return on Asset
LEV	: Leverage
SIZE	: Firm Size
AGE	: Firm Age
TPxBGD	: Interaction between TP & BGD
CSRxBGD	: Interaction between CSR & BGD
ε	: Residual Errors.

Table 1. Variables and the Measurements

No	Variable	Proxy	Formula
1	Firm Value (FV)	Tobin's Q (Nurramayuningsih and Sufyani 2020)	Tobin's Q = (Market Value of Equity + Book Value of Liabilities) / Book Value of Total Assets
2	Tax Planning (TP)	Effective Tax Rate (ETR) (Widarwati et al. 2024)	ETR = Total Income Tax Expense / Profit Before Tax
3	Corporate Social Responsibility (CSR)	CSR Strategy Score (Choi and Yoo 2022)	The CSR strategy score of the firm (0-100)
4	Board Gender Diversity (BGD)	Percentage of Female Directors on the Board (Sherlyn and Sudirgo 2025)	BGD = (Number of Female Directors / Total Number of Directors) x 100%
5	Profitability (ROA)	Return on Asset (Nebie and Cheng 2023)	ROA = Net Income / Total Assets
6	Leverage (LEV)	Debt-Asset Ratio (DAR) (Nebie and Cheng 2023)	LEV = Total Debt / Total Assets
7	Firm Size (SIZE)	Natural Logarithm of Asset (Kirkpatrick and Radicic 2020)	SIZE = Ln (Total Asset)
8	Firm Age (AGE)	Firm Age (Li et al. 2022)	Firm Age = Year of Observation - Year of Establishment

Source: Self-Processed

RESULTS AND DISCUSSIONS

Descriptive Analysis

Descriptive analysis is employed to illustrate the general characteristics of the research data through statistical measures such as mean, standard deviation, minimum, maximum, and distribution patterns. The following table presents the descriptive statistical results of this study.

The dependent variable, firm value (FV), measured using Tobin's Q, has a mean of 1.1603 and a standard deviation of 0.9231, indicating that, on average, firms have a market value above their book value. The minimum (0.188) and maximum (3.902) values reflect moderate variation across firms. The first independent variable, tax planning (TP), has a mean of -0.248 (SD = 0.119), suggesting generally low tax planning levels, with values ranging from -0.827 to -0.014. Corporate social responsibility (CSR) averages 56.742 (SD = 29.044), reflecting relatively high but widely varying CSR engagement, while board gender diversity (BGD) has a mean of 0.190 (19.06%) with a minimum of 0 and maximum of 0.75, indicating uneven female representation on boards.

Among control variables, Return on Assets (ROA) has a mean of 0.063 (SD = 0.057), leverage (LEV) averages 0.231 (SD = 0.187), firm age averages 40 years (SD = 16.55), and firm size averages 31.971 (SD = 1.401), all reflecting variations in operational efficiency, capital structure, experience, and scale. Regarding distribution, skewness values above 3 suggest substantial data deviation and potential outliers, while kurtosis values above 10 indicate a highly peaked distribution, with data concentrated around the mean. In this study, all skewness and kurtosis values were below 3 and 10, respectively, indicating acceptable distribution normality.

Normality Test

To ensure that the regression model meets the normality assumption, this study employed three tests: the Shapiro–Wilk Test, the Shapiro–Francia Test, and the Skewness/Kurtosis Test. Normality was assessed at a 5% significance level. If the p-value is less than 0.05, the data are not normally distributed. Conversely, a p-value greater than 0.05 suggests that the data follow a normal distribution. The following table presents the normality test results for the variables in this study.

Based on the results presented in Table 3, none of the variables were statistically significant, as all p-values below 0.05. However, the skewness and kurtosis of each variable are greater than 3 and 10, as shown in Table 2, indicating that the data met the normality assumption and were suitable for further analysis. Moreover, according to the Central Limit Theorem (CLT), deviations from normality in skewness and kurtosis have minimal impact on statistical analysis when the sample size is sufficiently large ([Stock and Watson 2020](#)) ([Tabachnick and Fidell 2012](#)) further note that violations of normality are not problematic for samples exceeding 200 observations. Since this study includes 215 firm-year observations, the data can be considered to satisfy the normality assumption for statistical analysis.

Multicollinearity Test

Multicollinearity testing was conducted to assess the degree of correlation among independent variables and to ensure that no excessively strong relationships exist within the model. This study employed the Variance Inflation Factor (VIF) to detect multicollinearity. A variable is considered to exhibit high multicollinearity if its tolerance (the reciprocal of VIF) is below 0.1 or if the VIF exceeds 10. The following table presents the multicollinearity test results for the variables used in this study.

Table 2. Descriptive Statistical Result

Var	Mean	Std. Dev.	Min	Max	Skew	Kurt
FV	1.160	0.923	0.187	3.902	1.668	5.318
TP	-0.248	0.119	-0.827	-0.014	-1.737	9.140
CSR	56.742	29.044	1.219	99.462	-0.290	1.838
BGD	0.190	0.201	0	0.75	1.353	4.344
ROA	0.063	0.056	-0.015	0.214	1.080	3.868
LEV	0.231	0.187	0	0.797	0.821	2.852
AGE	40	16.555	9	91	0.587	3.372
SIZE	31.971	1.401	29.268	35.425	0.523	3.071

Source: Data processed by the researcher (2025)

Table 3. Normality Test Result

Var	Obs	Shapiro-Wilk W	Shapiro-Francia W'	Skew /Kurt
		Prob>z	Prob>z	Prob>chi2
FV	215	0.00000	0.00001	0.0000
TP	215	0.00000	0.00001	0.0000
CSR	215	0.00000	0.00001	0.0000
BGD	215	0.00000	0.00001	0.0000
ROA	215	0.00000	0.00001	0.0000
LEV	215	0.00000	0.00001	0.0003
AGE	215	0.00024	0.00066	0.0045
SIZE	215	0.00002	0.00012	0.0159

Source: Data processed by the researcher (2025)

Table 4. Multicollinearity Test Result

Var.	Model 1		Model 2	
	VIF	1/VIF	VIF	1/VIF
ROA	1.30	0.766	1.34	0.746
SIZE	1.24	0.809	1.25	0.801
BGD	1.23	0.813	10.97	0.091
LEV	1.21	0.823	1.26	0.792
TP	1.15	0.872	3.93	0.254
AGE	1.14	0.878	1.45	0.688
CSR	1.08	0.926	1.93	0.518
BGDxTP			14.48	0.069
BGDxCSR			5.92	0.168
Mean VIF	1.19	.	4.72	

Source: Data processed by the researcher (2025)

Based on the results in Table 4, all variables in Model 1 exhibit VIF values well below the critical threshold of 10, ranging from 1.08 to 1.30, with tolerance values above 0.1 (0.766-0.926). The mean VIF for all variables is 1.19, indicating that multicollinearity is not a concern in Model 1. In Model 2, most

independent variables also show low VIF values (1.25-5.92) with tolerance above 0.1. However, two variables, BGD and BGDxETR, display higher VIFs of 10.97 and 14.48, with tolerance values of 0.091 and 0.069, respectively, suggesting multicollinearity with other variables.

This is common in regression models including interaction terms, as they are mathematically derived from their component variables, naturally resulting in higher correlations. Nonetheless, multicollinearity in interaction terms does not invalidate the model as long as coefficients remain interpretable and theoretically justified. Overall, the mean VIF in Model 2 is 4.72, below the maximum threshold of 10, indicating that aside from the interaction terms and their components, the model does not experience serious multicollinearity issues.

Heteroscedasticity Test

A good regression model satisfies the assumption of homoskedasticity, where the error variance remains constant across all values of the independent variables. In this study, heteroskedasticity was tested at a 5% significance level. The Breusch-Pagan test was used to detect heteroskedasticity. Specifically, if the $\text{Prob}>\chi^2$ value is less than 0.05, the presence of heteroskedasticity is indicated. Conversely, if $\text{Prob}>\chi^2$ exceeds 0.05, the model does not suffer from heteroskedasticity.

Based on the results in Table 5, the $\text{Prob}>\chi^2$ values for Models 1 and 2 are both 0.0000, below the 0.05 significance threshold. This indicates the presence of heteroskedasticity in both regression models. To address this issue, robust standard error regression was employed to ensure reliable estimation results.

Autocorrelation Test

Autocorrelation testing was conducted to examine whether there is a pattern or relationship among the residuals in time-series data. In this study, the Durbin-Watson (DW) test was used to detect autocorrelation. According to common guidelines, a DW value between 1.5 and 2.5 indicates no autocorrelation, while a value below 1.5 suggests positive

autocorrelation and a value above 2.5 indicates negative autocorrelation.

Based on the autocorrelation test results in Table 6, the DW values for Models 1 and 2 are 1.804 and 1.794, respectively, both within the acceptable range of 1.5 to 2.5. These results indicate that neither regression model in this study exhibits autocorrelation.

Coefficient of Determination (R-squared)

The coefficient of determination, or R-squared (R^2), is a key measure in regression analysis, indicating the extent to which the regression model explains the variation in the dependent variable. R^2 ranges from 0 to 1, with 0 indicating no explanatory power and values near 1 showing that the independent variables explain most of the variation in the dependent variable.

As shown in Table 7, Model 1 has an R-squared value of 0.3296, indicating that the independent variables explain 32.96% of the variation in the dependent variable, while the remaining 67.04% is influenced by factors outside the model. In Model 2, the R-squared value of 0.3529 suggests that the independent variables account for 35.29% of the variation in the dependent variable, with the remaining 64.71% attributable to factors not included in the model.

Simultaneous Test (F-Test)

A comprehensive evaluation of the regression model was conducted using the F-test. This test assesses whether the independent variables collectively have a significant effect on the dependent variable. In this study, the independent variables are considered to have a simultaneous effect if the F-test is significant at the 5% level, that is, when $\text{Prob} > F$ is less than 0.05. The F-test results are presented in the following table.

Table 5. Heteroscedasticity Test Result

Model	Chi2 (1)	Prob > Chi2
1	28.03	0.0000
2	16.98	0.0000

Source: Data processed by the researcher (2025)

Table 6. Autocorrelation Test Result

Model	Number of Variables	Number of Samples	DW Value (d)
1	8	215	1.804
2	10	215	1.794

Source: Data processed by the researcher (2025)

Table 7. R-squared (R²)

Model	R-squared
1	0.3296
2	0.3529

Source: Data processed by the researcher (2025)

Table 8. F-Test Result

Model	F-Test	Prob > F
1	14.70	0.000
2	18.98	0.000

Source: Data processed by the researcher (2025)

Based on Table 8, Models 1 and 2 both show Prob>F values of 0.0000, indicating significance at the 1% level and well below the common 5% threshold. These results demonstrate that the independent variables in both models collectively exert a significant effect on the dependent variable.

Partial Significance Test (T-Test)

Partial significance testing was conducted using the t-test to assess the significance and direction of the effect of each independent variable on the dependent variable in the research models. The t-test was performed at 1%, 5%, and 10% significance levels. A variable is considered significant if the p-value is below 0.01, 0.05, or 0.10, and rejected if the p-value exceeds 0.10. It should be noted that Stata's default t-test is two-tailed, whereas this study applies a one-tailed test. Therefore, p-values were halved before interpretation.

The results in Table 9 indicate that the tax planning (TP) has a coefficient of 0.6497. The one-tailed test yields a p-value of 0.053, below the 10% significance level, suggesting that TP has a positive and significant effect on firm value. This implies that higher TP is associated with higher firm value. In other words, companies that implement tax planning in a fair and transparent manner are perceived more favorably by investors, enhancing market confidence, and ultimately increasing firm value.

Similarly, the results show that the CSR strategy variable has a coefficient of 0.002 with a p-value of 0.081, also below the 10% significance threshold. This indicates that CSR strategy has a positive and significant effect on firm value. The findings suggest that companies implementing well-structured and effective CSR strategies tend to receive higher market evaluations.

Table 9. T-Test Result for Model 1

FV	Coef.	St. Err	t-value	p-value	Sig (One-tailed)
TP	.649	.400	1.62	0.053	*
CSR	.002	.001	1.41	0.081	*
BGD	.029	.301	0.10	0.461	
ROA	5.735	1.425	4.02	0.000	***
LEV	1.258	.316	3.98	0.000	***
AGE	.012	.004	2.91	0.002	***
SIZE	-.168	.050	-3.31	0.001	***
Cons_	5.387	1.762	3.06	0.002	***

*** $p < .01$, ** $p < .05$, * $p < .1$

Source: Data processed by the researcher (2025)

Table 10. T-Test Result for Model 2

FV	Coef.	St. Err	t-value	p-value	Sig (One-tailed)
TP	1.685	.794	2.12	0.017	**
CSR	-.001	.002	-0.52	0.302	
BGD	-1.877	.870	-2.16	0.016	**
ROA	5.497	1.361	4.04	0.000	***
LEV	1.095	.338	3.24	0.000	**
AGE	.007	.004	1.63	0.052	*
SIZE	-.179	.051	-3.46	0.000	***
BGDxTP	-3.881	3.072	-1.26	0.104	
BGDxCSR	.020	.008	2.26	0.012	**
Cons_	6.415	1.929	3.32	0.000	***

*** $p < .01$, ** $p < .05$, * $p < .1$

Source: Data processed by the researcher (2025)

The results in Table 10 indicate that the interaction variable BGDxTP has a coefficient of -3.881 with a p-value of 0.104, above the 10% significance level. This suggests that BGD does not significantly moderate the relationship between tax planning and firm value. The negative coefficient further indicates that the presence of women on the board tends to weaken the positive effect of tax planning on firm value, although this relationship is not statistically significant.

Additionally, Table 10 also shows that the interaction variable BGDxCSR has a coefficient of 0.020 with a p-value of 0.012,

below the 5% significance level. This indicates that board gender diversity significantly moderates the relationship between CSR strategy and firm value. The positive coefficient suggests that a higher proportion of women on the board strengthens the positive effect of CSR strategy on firm value.

Tax Planning Positively Influence Firm Value

The results indicate that the ETR, used as a proxy for tax planning, has a positive and significant effect on firm value. This implies that companies implementing effective tax planning strategies can generate positive perceptions

among investors by demonstrating managerial efficiency in managing fiscal obligations while remaining compliant with legal requirements.

These findings align with Agency Theory, which emphasizes the importance of aligning the interests of management (agents) and shareholders (principals). In this context, tax planning serves as an efficiency mechanism that can mitigate potential agency conflicts. Managers who optimize tax payments responsibly can reduce costs, increase net profits, and maintain corporate reputation. Conversely, aggressive tax avoidance may create negative perceptions among regulators and investors due to increased legal risk and reduced credibility.

Effective tax planning also plays a crucial role in maintaining financial stability. By managing fiscal burdens, improving cash flow, and utilizing government-provided tax incentives, firms can allocate more resources to productive investments such as business expansion, product innovation, or capacity enhancement. These investments, in turn, support higher profitability and strengthen market value.

The results are consistent with previous studies by ([Saputri et al. 2025](#)), ([Tuari et al. 2022](#)), and ([Apika and Prasetyo 2024](#)), which demonstrate that effective tax planning positively influences firm value. These studies highlight that firms capable of managing their tax obligations efficiently are perceived more favorably by investors, as tax efficiency reflects solid managerial performance and the ability to balance fiscal compliance with profit optimization.

However, not all studies report consistent results. ([Wahyuda et al. 2025](#)) found that while tax planning can reduce tax burdens, the market does not always perceive these practices as directly enhancing firm value. This may occur because tax-saving strategies do not

necessarily reflect underlying operational performance but may instead be linked to accounting policies or short-term managerial decisions. Similarly, ([Rajab et al. 2022](#)) note that although tax planning can theoretically increase net profits and firm value, it may also raise agency costs. When management prioritizes tax efficiency without adhering to transparency and good governance principles, moral hazard risk, such as income shifting or financial statement manipulation, may increase, making the relationship between tax planning and firm value not uniformly positive.

CSR Strategy Positively Influence Firm Value

The results show that the CSR strategy has a positive and significant effect on firm value, meaning that better corporate social responsibility practices are associated with higher market valuation. By engaging in CSR programs that address the interests of external stakeholders such as communities, regulators, and the environment, companies strengthen their public image. When CSR activities are perceived as valuable and impactful, they build public trust and attract investor interest, increasing demand for the company's shares and thereby enhancing firm value. Furthermore, as CSR is regarded as a moral and social responsibility, its successful execution influences stakeholder investment decisions, ultimately affecting firm valuation.

These findings align with prior studies by ([Machmuddah et al. 2020](#)), ([Meha and Hariadi 2021](#)), and ([Rahmawati and Susilo 2025](#)), which demonstrate that strategically designed and sustainable CSR initiatives add value by strengthening stakeholder relationships. CSR not only reflects social and environmental responsibility but also serves as a communication tool demonstrating the company's commitment to sustainability. Companies that show tangible contributions to

society and the environment enhance their reputation, increase consumer trust and loyalty, and improve investor perceptions, ultimately driving higher stock demand and firm value. Thus, CSR holds both moral and strategic significance in reinforcing a company's competitive position.

However, some studies report contrasting results. [\(Gunawan and Mawarni 2021\)](#) argue that although CSR disclosure theoretically provides investors with information on social and environmental activities, which could aid in assessing reputation, non-financial risk, and long-term prospects, mandatory CSR reporting under Indonesian Law No. 40/2007 reduces its strategic differentiation. Since all companies are required to disclose CSR activities, the extent of CSR implementation no longer serves as a unique signal to investors. In some cases, high CSR expenditures are perceived as additional costs that reduce profits rather than productive long-term investments, potentially diminishing firm value.

Board Gender Diversity Does Not Moderate the Influence of Tax Planning on Firm Value

The results show that board gender diversity does not significantly moderate the relationship between tax planning and firm value. In other words, the proportion of women on the board has not strengthened the positive effect of tax planning on firm value. The negative coefficient suggests a tendency for higher female representation to weaken the positive influence of tax planning, although this effect is not statistically significant.

These findings imply that the presence of women on corporate boards has not yet optimally contributed to strategic decision-making, including tax policy decisions. Several factors may explain this. First, female representation on many boards remains relatively low, limiting their influence in decision-

making processes. Second, women often exhibit high caution and regulatory compliance, favoring conservative tax strategies over aggressive planning, which may reduce the potential value-enhancing effects of tax planning.

This aligns with [\(Ariyanti and Rachmawati 2025\)](#), who emphasize that individual quality, professionalism, and experience of board members have a greater impact on decision-making than gender differences. Decisions depend more on managerial capability, expertise, and practical experience than on gender composition. Similarly, [\(Gunarso 2025\)](#) found that gender diversity does not significantly affect tax avoidance or firm value, suggesting that female board members often serve symbolic or formal roles rather than influencing strategic corporate policies, including tax strategy.

From a signaling theory perspective, the presence of women on the board could signal to investors a commitment to good corporate governance and financial transparency. However, if this presence does not translate into observable changes in financial practices, such as reduced tax avoidance or increased transparency, the positive signal loses credibility. Gender diversity only exerts a meaningful impact when women are empowered in positions with strategic decision-making authority and when organizational culture supports their active participation in governance. Without these conditions, female representation may remain symbolic, offering little substantive effect on firm value.

These results differ from [\(Astuti and Fitria 2019\)](#), who found that board diversity moderates the relationship between tax planning and firm value, albeit with a weakening effect. Differences may arise from sector-specific characteristics and board members' competencies. In their study, companies in the property and real estate sector had boards

dominated by members with technical and architectural backgrounds, limiting their understanding of fiscal policy, tax planning strategies, and value creation.

Moreover, board diversity alone does not guarantee effective decision-making if not complemented by relevant competencies and experience. Balancing hard skills, gained through formal education, with soft skill, such as communication, leadership, and cross-disciplinary understanding, is critical. These soft skills enable synergy among board members and ensure strategic decisions align with corporate objectives.

Board Gender Diversity Strengthens the Influence of CSR Strategy on Firm Value

The results suggest that board gender diversity significantly moderates the relationship between CSR strategy and firm value. The positive coefficient implies that a higher proportion of women on the board strengthens the positive effect of CSR strategy on firm value. The results suggest that women on corporate boards play a crucial role in ensuring more effective and long-term oriented CSR implementation. Women often demonstrate higher social and ethical sensitivity, which enhances a company's focus on social responsibility and sustainability. Their presence also promotes decision-making that balances economic and social interests, ultimately improving corporate reputation and investor confidence (Chang et al. 2024).

From the perspective of Stakeholder Theory, gender-diverse boards can broaden managerial attention to the interests of various stakeholders. More inclusive and diverse boards are better equipped to identify and respond to social and environmental issues relevant to business operations. This ensures that CSR strategies are implemented substantively and consistently, strengthening relationships with

communities, customers, and regulators, and positively affecting firm value (Ashiq et al. 2025).

These findings align with studies by Li et al. (2022), which found that female board representation significantly enhances the link between CSR practices and firm value in the United States. Similar results were reported by (Chang et al. 2024) in non-financial firms in Taiwan, where gender diversity improved CSR effectiveness and sustainability performance. (Gaio and Gonçalves 2022) also found that firms with higher female board representation exhibit stronger CSR practices and receive greater market recognition.

However, not all studies report consistent results. In Indonesia, (Nur Aisyah et al. 2024) found that board gender diversity did not significantly moderate the relationship between ESG performance and firm value. Similarly, (Utami and Setiawan 2024) reported a negative effect of gender diversity on CSR activities in the property and real estate sector. These discrepancies may be explained by industry characteristics, low female representation, and organizational cultures that do not fully support active participation of women in strategic decision-making.

CONCLUSION

The findings indicate that tax planning has a positive and significant effect on firm value. Companies that engage in effective and compliant tax planning are perceived more favorably by investors, reflecting sound corporate governance and strong financial management, which enhances investor confidence and market valuation. Similarly, CSR strategy exerts a positive and significant influence on firm value. Well-designed and effectively implemented CSR programs strengthen corporate reputation, improve stakeholder relationships, and generate tangible social impact, thereby increasing investor

confidence and market demand for the company's shares.

Regarding the moderating role of board gender diversity, the study finds no significant effect on the relationship between tax planning and firm value. While gender diversity enhances decision-making perspectives, female representation on boards has not yet translated into measurable influence on tax policy outcomes that affect market value. In contrast, board gender diversity significantly strengthens the positive relationship between CSR strategy and firm value. Female directors often bring greater social and ethical sensitivity, which supports more strategic and effective CSR initiatives, improves corporate reputation, and enhances investor trust, ultimately benefiting market valuation.

This study was conducted following scientific procedures and using relevant data. However, several limitations should be acknowledged. First, tax planning was measured solely using the Effective Tax Rate (ETR), which may be influenced by external factors such as tax policies and profit fluctuations, and therefore may not fully capture complex tax planning strategies. Second, board gender diversity (BGD) was measured based on the proportion of female directors without

considering their strategic positions or influence, implying that formal gender diversity may not necessarily translate into substantive impact on corporate decisions. Third, the sample was limited to food and beverages companies listed on the Indonesia Stock Exchange within a specific period, which may constrain the generalizability of the findings to other countries or timeframes.

Future research is encouraged to adopt a broader approach in measuring key variables. For tax planning, employing multiple proxies such as Cash Effective Tax Rate (CETR), Book-Tax Differences (BTD), or alternative models can provide a more comprehensive understanding of corporate tax strategies. Similarly, board gender diversity should be assessed not only by the proportion of female directors but also by the quality of representation, including structural roles, experience, and professional background, to better capture their impact on strategic decision-making. Additionally, expanding the sample to include companies from various sectors, cross-country contexts, or longer observation periods can enhance the generalizability of findings and evaluate the consistency of results across different market environments.

REFERENCES

- Ahmed, O., & Abu Khalaf, B. (2025). The Impact of ESG on Firm Value: The Moderating Role of Cash Holdings. *Heliyon*, 11(2), e41868. <https://doi.org/10.1016/j.heliyon.2025.e41868>
- Apika, A., & Prasetyo, E. (2024). Pengaruh Perencanaan Pajak, Profitabilitas, Ukuran Perusahaan dan Leverage Terhadap Nilai Perusahaan pada Perusahaan Pertambangan yang Terdaftar di BEI Periode 2020-2022. *Akuntansi Dan Ekonomi Pajak: Perspektif Global*, 1(4), 103–126. <https://doi.org/10.61132/aepg.v1i4.558>
- Ariyanti, N., & Rachmawati, N. A. (2025). Optimalisasi Nilai Perusahaan melalui Tax Planning dan Efisiensi: Analisis Moderasi Peran Gender di Dewan Direksi. *Jurnal Akuntansi*, 25(1), 41–54.
- Ashiq, A., Guoxing, Z., Tabasam, A. H., & Tahir, S. H. (2025). The Triple Impact: Managerial Ability, CSR, and Capital Structure on Firm Performance. *Sage Open*, 15(4). <https://doi.org/10.1177/21582440251376944>
- Astuti, Y. D., & Fitria, G. N. (2019). Pengaruh Perencanaan Pajak dan Profitabilitas terhadap Nilai Perusahaan dengan BOD Diversity sebagai Variabel Moderasi. *Esensi: Jurnal Bisnis Dan Manajemen*, 9(2), 235–246. <https://doi.org/10.15408/ess.v9i2.13339>

- Chang, Y., Wu, K.-T., Lin, S.-H., & Lin, C.-J. (2024). Board Gender Diversity and Corporate Social Responsibility. *International Journal of Corporate Social Responsibility*, 9(1), 7. <https://doi.org/10.1186/s40991-024-00095-x>
- Choi, S., & Yoo, J. (2022). The Impact of Technological Innovation and Strategic CSR on Firm Value: Implication for Social Open Innovation. *Journal of Open Innovation: Technology, Market, and Complexity*, 8(4), 188. <https://doi.org/10.3390/joitmc8040188>
- Elamer, A. A., Boulhaga, M., & Ibrahim, B. A. (2024). Corporate tax avoidance and firm value: The moderating role of environmental, social, and governance (ESG) ratings. *Business Strategy and the Environment*, 33(7), 7446–7461. <https://doi.org/10.1002/bse.3881>
- Faizah, S. N., & Ediraras, D. T. (2021). Mediation of Profitability on Corporate Social Responsibility to Firm Value. *Indonesia Article Info History of Article Jurnal Riset Akuntansi Kontemporer*, 13(2), 51–58.
- Freeman, R. E. (1994). The Politics of Stakeholder Theory: Some Future Directions. *Business Ethics Quarterly*, 4(4), 409–421. <https://doi.org/10.2307/3857340>
- Gaio, C., & Gonçalves, T. C. (2022). Gender Diversity on the Board and Firms' Corporate Social Responsibility. *International Journal of Financial Studies*, 10(1), 15. <https://doi.org/10.3390/ijfs10010015>
- Gunarso, R. (2025). Pengaruh Gender Diversity terhadap Nilai Perusahaan dengan Tax Avoidance sebagai Variabel Intervening. *Neraca Akuntansi, Manajemen, Ekonomi*, 22(8).
- Gunawan, B., & Mawarni, J. (2021). Determinan Firm Value: Financial Performance sebagai Variabel Moderating. *Jurnal Informasi, Perpajakan, Akuntansi, Dan Keuangan Publik*, 16(2), 179–202. <https://doi.org/10.25105/jipak.v16i2.8605>
- Huang, W. (2024). Female Board Representation and Firm Value: International Evidence. *Finance Research Letters*, 68, 105998. <https://doi.org/10.1016/j.frl.2024.105998>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. *Journal of Financial Economics*, 3(4), 305–360. [https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/10.1016/0304-405X(76)90026-X)
- Kirkpatrick, A. K., & Radicic, D. (2020). *Tax Planning Activities and Firm Value: A Dynamic Panel Analysis* (pp. 103–123). <https://doi.org/10.1108/S1058-749720200000027004>
- Li, Y., de Villiers, C., Li, L. Z., & Li, L. (2022). The Moderating Effect of Board Gender Diversity on the Relation between Corporate Social Responsibility and Firm Value. *Journal of Management Control*, 33(1), 109–143. <https://doi.org/10.1007/s00187-022-00334-x>
- Machmuddah, Z., Sari, D. W., & Utomo, St. D. (2020). Corporate Social Responsibility, Profitability and Firm Value: Evidence from Indonesia. *The Journal of Asian Finance, Economics and Business*, 7(9), 631–638. <https://doi.org/10.13106/jafeb.2020.vol7.no9.631>
- Meha, A. T. S., & Hariadi, S. (2021). Pengaruh CSR dan Kinerja Keuangan terhadap Nilai Perusahaan dengan Kepemilikan Manajerial sebagai Variabel Moderating. *Jurnal Pajak Dan Keuangan Negara*, 2(2), 17–22.
- Nebie, M., & Cheng, M.-C. (2023). Corporate tax avoidance and firm value: Evidence from Taiwan. *Cogent Business & Management*, 10(3). <https://doi.org/10.1080/23311975.2023.2282218>
- Nur Aisyah, F. S., Haryati, T., & Vendy, V. (2024). Does Board Gender Diversity Moderate ESG, Dividend Policy, and Firm Value Relationships? *Jurnal Riset Akuntansi Dan Keuangan*, 12(2), 901–918. <https://doi.org/10.17509/jrak.v12i2.69390>

- Nurramayuningsih, N., & Sufyani, M. A. (2020). Modal Intelektual, Kepemilikan Institusional terhadap Profitabilitas dan Nilai Perusahaan. *JRAK*, 12(1), 15–24. <https://doi.org/10.23969/jrak.v12i1.4041>
- Rahmawati, H., & Susilo, D. E. (2025). Pengaruh CSR dan Struktur Modal Terhadap Nilai Perusahaan dengan Firm Size sebagai Variabel Moderasi. *Journal of Business and Economics Research (JBE)*, 6(1), 19–25.
- Rajab, R. A., Taqiyah, A. N., Fitriyani, F., & Amalia, K. (2022). Pengaruh Tax Planning, Tax Avoidance, dan Manajemen Laba terhadap Nilai Perusahaan. *JPPi (Jurnal Penelitian Pendidikan Indonesia)*, 8(2), 472. <https://doi.org/10.29210/020221518>
- Saputri, N., Nugroho, W. S., & Susanto, B. (2025). Pengaruh Tax Planning, Tax Avoidance dan Earnings Management terhadap Nilai Perusahaan. *8th Prosiding Business and Economics Conference In Utilizing of Modern Technology 2025*, 27–39.
- Sherlyn, & Sudirgo, T. (2025). Pengaruh Ukuran Perusahaan, Profitabilitas, dan Likuiditas Terhadap Nilai Perusahaan Sektor Consumer Non-Cyclicals. *Jurnal Paradigma Akuntansi*, 7(2), 953–961. <https://doi.org/https://doi.org/10.24912/jpa.v7i2.33779>
- Stock, J. H., & Watson, M. W. (2020). *Introduction to Econometrics* (4th ed.). Pearson.
- Tabachnick, B. G., & Fidell, L. S. (2012). *Using Multivariate Statistics* (6th ed.). Pearson.
- Tarnaud, A. C., & Zakriya, M. (2025). CSR Performance and Firm Value: Disentangling the Role of ESG Rating Providers. *British Journal of Management*, 36(4), 1553–1577. <https://doi.org/10.1111/1467-8551.12920>
- Tuari, H. E., Asnawi, M., & Sesa, P. V. S. (2022). Pengaruh Tax Planning terhadap Nilai Perusahaan pada Perusahaan Property & Real Estate Periode 2016-2020. *Jurnal Akuntansi Dan Keuangan Daerah*, 17(2), 190–202. <https://mail.ejournal.uncen.ac.id/index.php/JAKED/article/view/2587/2046>
- Utami, D. W., & Setiawan, D. (2024). The Role of Board Gender Diversity, Age Diversity, and Foreign Experience on CSR. *Jurnal Riset Ekonomi Manajemen (REKOMEN)*, 7(2), 313–322. <https://doi.org/10.31002/rekomen.v7i2.1535>
- Wahyuda, D. A., Falatifah, M., & Karlinah, Lady. (2025). Pengaruh Tax Planning, Tax Avoidance dan Leverage Terhadap Firm Value. *Owner: Riset Dan Jurnal Akuntansi*, 9(2), 1005–1019. <https://doi.org/10.33395/owner.v9i2.2558>
- Widarwati, E., Rohmah, N. N., Wityasminingsih, E., Nurmalasari, N., Apriandi, D. W., & Sopiawadi, M. (2024). Green investment and firm value: Does corporate governance matter? *Journal of Accounting and Investment*, 25(3), 1156–1174. <https://doi.org/10.18196/jai.v25i3.22159>
- Yoo, J. W., Fan, B., & Chang, Y. J. (2024). CSR, Digital Transformation, and Internal Control: Three-Way Interaction Effect on the Firm Value of Chinese Listed Companies. *Systems*, 12(7), 236. <https://doi.org/10.3390/systems12070236>