

## **Impact of Board Size, Gender Diversity, CEO Duality and Board Independence on Firm Value: Evidence from Diversified Finance Companies Listed in CSE**

Fernando, H.N.J.<sup>1</sup> and Gunasekara, A.L.<sup>2</sup>

Department of Finance, University of Kelaniya, Sri Lanka<sup>1,2</sup>

[Jayasank\\_bm17174@stu.kln.ac.lk](mailto:Jayasank_bm17174@stu.kln.ac.lk)<sup>1</sup>, [gunasekaral@kln.ac.lk](mailto:gunasekaral@kln.ac.lk)<sup>2</sup>

### **ABSTRACT**

**Purpose:** This study aims to examine the impact of board diversity on firm value of listed diversified financial companies listed in the Colombo Stock Exchange (CSE) in Sri Lanka.

**Design/Methodology/Approach:** To examine the research objectives diversified financial sector is taken as the population. In this regard, data is collected from diversified financial firms listed in main board of CSE. Board size, gender diversity, CEO duality and board independence are employed as independent variables in this study, while the firm value is the dependent variable. All the collected data were analyzed using STATA software, which included statistical tests such as multicollinearity, normality, and panel regression analysis.

**Findings:** According to the study's findings, board size had a statistically significant positive relationship and gender diversity, and firm age had a statistically significant negative relationship with the dependent variable (firm value) while other three variables (Board independence, CEO duality and firm size) are statistically insignificant. Hence data set having heteroskedasticity and autocorrelation, cluster option was done to fix those errors. According to the regression results, board size is more effective in increasing value of diversified financial companies listed in CSE.

**Originality:** The novelty of this study is that this research considers the whole the diversified financial companies listed in the Colombo Stock Exchange (CSE) and considers the Covid 19 period within the sample.

**Keywords:** *Corporate Governance, Board Independence, Gender Diversity, CEO Duality*