

ABSTRACT

Indonesia is currently focusing on sustainability, especially in achieving equality on the board of directors with the aim of improving the efficiency of the company. This study aims to determine the influence of diversity of the board of director swhich is divided into two groups, namely Relation related diversity which includes gender, age and Task related diversity which includes education, skills, length of work which is measured using the Blau Index with the Data Envelopment Analysis (DEA) approach to efficiency with output (revenue) and input (labor cost, capital cost and intermediate cost) in financial sector companies of BUMN and BUMD listed on the Indonesia Stock Exchange for the 2017-2022 research period.

The results showed that Relation Related Diversity and Task Related Diversity had a simultaneous effect on efficiency and the control variables Firm size, Age of firm, Liquidity and Inflation showed that they had a simultaneous effect on efficiency. However, partially the Task Related Diversity variable had a significant effect, the Firm size control variable had a significant effect, and the Age of firm control variable had a significant effect.

This research is expected to be a reference for future researchers to measure efficiency with different inputs and outputs, use more research objects and extend the time period. In the practical aspect, for companies to encourage diversity in the board of directors to improve sustainability and companies should be able to manage their inputs and outputs optimally in order to improve the company's financial efficiency.

Keywords: *Efficiency, Data Envelopment Analysis (DEA), Blau Index,*