

ABSTRACT

This research aimed to analyze the association of CEO and CFO educational attainment in developed country in connection with firm performance. This present research employed 971 sample data from from all non – financial listed firm on Indonesia Stock Exchange (IDX) through IDX website and ORBIS website. Then, the sample data is analyzed by performing OLS clustered method regression. The regression itself is conducted separately for CEO and CFO data. After analyzing the data, it is found that CEO and CFO educational attainment matter to firm performance in particular extent.

This research found several findings. First, CEO educational attainment at developed country university is found to be significantly and positively associated firm performance. Second, this research found that CEO and CFO educational attainment in MBA degree at developed country are significantly associated with firm performance in positive direction. Third, CFO educational attainment in postgraduate degree at developed country university is found to be significantly associated with firm performance.

As proven by the research result, this research practically implicated that educational attainment in developed country is able to be good proxy for intelligence capability and international experience of top managers within firm such as CEO and CFO. This research contributes to the existing literature by proving that CEO and CFO educational attainment in developed country matter to firm performance.

Keywords: *board of director characteristics, educational background, study abroad, upper echelons, firm performance*