



**THE EFFECT OF DIVERSIFICATION STRATEGY ON TAX
AGGRESSIVENESS WITH BOARD DIRECTOR'S
INCENTIVE AS THE MODERATING VARIABLE**

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TABLE OF CONTENTS

PANEL OF EXAMINERS APPROVAL	i
STATEMENT OF ORIGINALITY	ii
SCIENTIFIC PUBLICATION APPROVAL FOR ACADEMIC INTEREST	iii
ADVISOR’S APPROVAL FOR PUBLICATION	iv
PLAGIARISM CHECK RESULT	v
ACKNOWLEDGMENT	vi
TABLE OF CONTENTS	ix
LIST OF FIGURES	xi
LIST OF TABLES	xii
ABSTRACT	xiii
INTISARI	xiv
CHAPTER I INTRODUCTION.....	1
1.1 Research Background.....	1
1.2 Research Problem.....	5
1.3 Research Questions	6
1.4 Research Objectives	6
1.5 Research Limitations	6
1.6 Research Benefits	7
CHAPTER II LITERATURE REVIEW	8
2.1 Theoretical Background	8
2.1.1 Agency Theory.....	8
2.2 Diversification Strategy.....	9
2.2.1 Types of Diversification.....	10
2.3 Tax Aggressiveness.....	11
2.4 Board Director’s Incentive	12
2.5 Hypothesis Development	12
2.5.1 Diversification Strategy and Tax Aggressiveness.....	12
2.5.2 The effect of board director’s incentives on the relationship between diversification strategy and tax aggressiveness	13
2.6 Research Framework.....	14

CHAPTER III RESEARCH METHOD	16
3.1 Population and Sample	16
3.2 Variable and Measurement	16
3.2.1 Dependent Variable	16
3.2.2 Independent Variable	17
3.2.3 Moderation Variable	18
3.2.4 Control Variable	19
3.3 Data Analyst Method	19
3.3.1 Descriptive Statistic	19
3.3.2 Clasical Assumption Test	20
3.3.3 Moderated Regression Analysis	21
3.3.4 Hypothesis Testing	22
CHAPTER IV RESULT ANALYSIS AND DISCUSSION	24
4.1 Description of Research Object	24
4.2 Data Analyst Result	25
4.2.1 Descriptive Statistics	25
4.2.2 Classical Assumptions Test	27
4.2.3 Data Analyst Method	31
4.2.4 Hypothesis Testing	33
4.3 Result and Discussion	36
4.3.1 The effect of diversification strategy on tax aggressiveness	36
4.3.2 The effect of board director's incentive as moderating variable in the relationship between diversification strategy and tax aggressiveness.	37
CHAPTER V CONCLUSION, LIMITATION, AND SUGGESTION	39
5.1 Conclusion	39
5.2 Limitation	39
5.3 Suggestion	40
REFERENCES	41
APPENDIX	47
Appendix 1 – Sample Company List	47
Appendix 2 – SPSS Result	48

LIST OF FIGURES

Figure 1.1 Research Framework.....	15
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LIST OF TABLES

Table 1. Sample Selection Criteria.....	24
Table 2. Descriptive Statistics.....	25
Table 3. 1Normality Test Result	27
Table 4. Multicollinearity Test Result.....	28
Table 5. Heteroscedasticity Test Result	29
Table 6. Autocorrelation Test Result	30
Table 7. Multiple Regression Result	31
Table 8. R2 Test Result.....	34
Table 9. F-test Result.....	34
Table 10. T-test Result.....	35

ABSTRACT

This study aims to evaluate the effect of diversification strategy on tax aggressiveness, with board director's incentive as the moderating variable. Utilizing secondary data obtained from the annual reports of manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the period 2019–2023, this research measures diversification strategy using the Herfindahl Index (HERF) and tax aggressiveness using the Effective Tax Rate (ETR) as a proxy. Board director's incentive are calculated based on the natural logarithm of total remuneration. The data were analyzed using the Moderated Regression Analysis (MRA) method. The findings indicate that diversification strategy has a significant negative effect on tax aggressiveness, and board director's incentive strengthen this negative relationship. These results highlight the importance of effective diversification management and appropriate incentive schemes in controlling corporate tax aggressiveness.

Keywords: *Diversification strategy, tax aggressiveness, board director's incentive*

INTISARI

Penelitian ini bertujuan untuk mengevaluasi pengaruh strategi diversifikasi terhadap agresivitas pajak, dengan insentif dewan direktur sebagai variabel moderasi. Dengan menggunakan data sekunder yang diperoleh dari laporan tahunan perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia (BEI) selama periode 2019–2023. Penelitian ini mengukur strategi diversifikasi menggunakan Indeks Herfindahl (HERF) dan agresivitas pajak menggunakan proxy Tingkat Pajak Efektif (ETR). Insentif dewan direktur dihitung berdasarkan logaritma natural dari total remunerasi serta data dianalisis menggunakan metode Analisis Regresi Moderasi (MRA). Temuan penelitian ini menunjukkan bahwa strategi diversifikasi berpengaruh negatif signifikan terhadap agresivitas pajak, dan insentif dewan direktur memperkuat hubungan negatif tersebut. Hasil ini menyoroti pentingnya pengelolaan diversifikasi yang efektif serta skema insentif yang tepat dalam mengendalikan agresivitas pajak perusahaan

Kata kunci: *Diversifikasi perusahaan, agresivitas pajak, insentif dewan direktur*