

ABSTRACT

This study examines the role of top leadership, particularly Muslim CEO status, in the relationship between corporate risk-taking and firm performance. This study aims to describe Muslim CEO status, risk-taking, and firm performance, as well as to analyze the effect of risk-taking on firm performance and to examine Muslim CEO status as a moderating variable. This study employs a quantitative method with descriptive and verificative approaches. The sample was selected using a saturated sampling (sensus) technique, in which the entire population was used as the research sample. The research sample consists of 30 companies in the Basic Materials and Consumer Non-Cyclicals sectors listed on the Indonesia Stock Exchange during the 2022–2025 period, comprising a total of 120 observations. Data analysis was conducted using panel data regression through the Common Effect Model (CEM) approach and the Panel Estimated Generalized Least Squares (EGLS) method with the Cross-section Weights option. In addition, this study employs Moderated Regression Analysis (MRA), hypothesis testing, the coefficient of determination, and robustness testing using Eviews 12 software. The results show that risk-taking has a positive and significant effect on firm performance as proxied by Tobin's Q. Muslim CEO status is also proven to moderate the effect of risk-taking on firm performance in a negative direction, meaning that the presence of Muslim CEO status weakens the positive effect of risk-taking on firm performance. These findings imply that companies need to optimally manage risk-taking and consider CEO status characteristics in formulating strategic decisions to improve firm performance.

Keywords: Risk Strategy, Risk-Taking, Muslim CEO Status, Firm Performance, Tobin's Q