

ABSTRACT

This study aims to examine the role of Intellectual Capital in mediating the relationship between Profitability and Firm Value. The variables used in this study include Return On Assets as the independent variable, Value Added Intellectual Coefficient, Human Capital Efficiency, Structural Capital Efficiency, and Capital Employed Efficiency as mediating variables, Firm Value as the dependent variable, and Leverage, Size, and Covid-19 as control variables.

This research uses manufacturing companies from 2019 to 2023, with a total sample of 88 companies. The sample selection was based on purposive sampling method, following certain criteria. Panel data regression analysis is the analytical method used in this study.

The results show that human capital efficiency and structural capital efficiency positively affect firm value, while value added intellectual capital and capital employed efficiency do not positively affect firm value. Furthermore, profitability, as measured by return on assets, does not have a positive effect on value added intellectual coefficient, human capital efficiency, structural capital efficiency, and capital employed efficiency. However, profitability has a direct positive relationship with firm value. The mediation of intellectual capital in the relationship between profitability and firm value shows no positive effect.

Keywords : ROA, IC, HCE, SCE, CEE