ABSTRACT

The growth of knowledge-based economies has raised the role of intangible assets as a key source of corporate competitive advantage. Intellectual capital is regarded as a strategic asset capable of generating added value and improving firm value, although market acceptance of such information may be affected by earnings management practices. This study aims to examine the effect of intellectual capital on firm value and to test the moderating role of earnings management in manufacturing companies listed on the Indonesia Stock Exchange during the 2020 to 2024 period.

This study applies a quantitative approach using secondary data from the annual financial statements of manufacturing companies. Purposive sampling produced 54 companies with 270 observations in a balanced panel. Firm value is proxied by Tobin's Q, intellectual capital is measured by the Value Added Intellectual Coefficient, and earnings management is measured through discretionary accruals of the Modified Jones Model. The hypotheses are tested using Moderated Regression Analysis with a Fixed Effect Model.

The results show that intellectual capital has no significant effect on firm value, so the first hypothesis is not supported by the data. Earnings management is proven to moderate and strengthen the relationship between intellectual capital and firm value, while its direct effect on firm value is not significant. These findings indicate that intellectual capital efficiency earns market appreciation when it is accompanied by stable reported earnings, making the quality of financial reporting a condition for the intellectual capital signal to reach investors.

Keywords: Intellectual Capital, Firm Value, Earnings Management, Value Added Intellectual Coefficient (VAIC), Tobin's Q.