

ABSTRACT

The objective of this study is to investigate the determinants of intellectual capital performance in the Indonesian banks. Dependent variable used in this study is intellectual capital performance. Independent variable used in this study are investment in IT system, bank efficiency, barriers to entry, efficiency of investment in intellectual capital, bank profitability, and bank risk.

Samples of this study are banks companies which listed on Indonesia Stock Exchange (IDX), for the observation period of 2008 until 2009. Samples were collected by purposive sampling method and resulted in 50 firms the samples. This study using The Pulic Model (Value Added Intellectual Coefficient – VAICTM) as the efficiency measure of three intellectual capital component; physical capital coefficient (VACA), human capital coefficient (VAHC), and structural capital coefficient (STVA) This study used linear regression for analyzing data.

The results showed that bank profitability significant effect to the intellectual capital performance. Investment in IT systems, bank efficiency, barriers to entry, efficiency of investment in intellectual capital and bank risk not significant effect to the intellectual capital performance.

Keywords : Intellectual capital, Human Capital, VAICTM, Banks, Indonesia.