

ABSTRACT

This study aims to examine the effect of intellectual capital on the company's financial performance. Based on the model proposed by Pulic that measuring intellectual capital can use the Value Added Intellectual Coefficient (VAIC) which consists of Human Capital Efficiency (HCE), Structural Capital Efficiency (SCE), and Capital Employed Efficiency (CEE). This model is widely used by researchers because of the simplicity of the calculations and the availability of data in the company's financial statements.

This study used 2 research variables, namely the dependent variable consisting of ROA (Return on Assets) as an indicator of the company's financial performance and the independent variables consisting of VAIC, HCE, SCE, and CEE. Data analysis in this study used 2 types of analysis, namely simple linear regression to test the VAIC and multiple linear regression to test the VAIC component.

The result show that HCE and CEE have a positive effect on the company's financial performance, as well as VAIC which affect the company's financial performance. Meanwhile, SCE had no affect the company's financial performance. However, overall intellectual capital affect the company's financial performance.

Keywords: intellectual capital, value-added intellectual coefficient, human capital efficiency, structural capital efficiency, capital employed efficiency, financial performance