IOSR Journal of Business and Management (IOSR-JBM)
e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 23, Issue 1. Ser. I (January 2021), PP 37-57
www.iosrjournals.org

Effect of Intellectual Capital Components, Intellectual Capital Disclosure and Corporate Governance Mechanisms on Financial Performance and Corporate Value in Listed Companies On The Indonesia Stock Exchange

Asmi Rayahu[1], Abd Rahman Mus[2], Baharuddin Semmaila[3], Mukhtar Lamo[4]
[1,2,3,4]*Universitas Muslim Indonesia*

Abstract: This research with a background in corporate governance mechanisms has an important role as a function of supervision of all corporate activities. found that *good corporate governance provides a variety of benefits, such as minimizing the cost of capital, improving the company's image, increasing the value of the company, and to avoid fraud. This research is intended to test and analyze the influence of intellectual capital components, intellectual capital disclosure, and corporate governance mechanisms on the company's financial performance and value. The research approach used in this study refers to the opinions expressed by the research approach is a way of thinking adopted by researchers about how research design is made and how research will be done. The type of research approach used in this research is quantitative research approach. With a sample* of *103 companies. The results showed that intellectual* capital *competencies are positively influenced by* the *financial performance of corporate governance mechanisms that have a positive and significant effect* on financial *kienerja. testing shows that the intellectual capital component positively affects the company'svalue. Disclosure of intellectual capital has a positive and significant effect on the value of the*company. *The corporate governance mechanism has a positive but insignificant effect on the company's value. Financial performance has a positive and significant effect on the company's value. The intellectual capital component has a positive and significant effect on the company's value through financialperformance. Disclosure of intellectual capital has a positive and significant effect on the company's value through financial performance. Corporate governance mechanisms have a positive and significant effect on the company's value through financial performance*

Keywords: *Intellectual Capital Component, Intellectual Capital Holding,Corporate Governance Mechanism, Financial Kinerj,* Corporate*Value*

Date of Submission: 20-12-2020 Date of Acceptance: 03-01-2021

I. Introduction

The Company began to realize that the ability to compete in the industry lies not only from its tangible assets, but in terms of intangible assets such as innovation, information system, organizational management and human resources that it has also played an important role in the continuity of the company (Pambudi, 2017). In order to survive in accordance with the concept of going concern, companies must quickly change their strategy from labor-based business to knowledge-based business (Sawarjuwono and Kadir, 2003). The paradigm that makes many companies apply a knowledge-based business management system. The company's survival and financial performance are not only generated by tangible assets, but more importantly intangible assets in the form of human resources (HR) that regulate and utilize existing company assets.

Intellectual capital is needed to create value added for the company. Intellectual capital plays a role in the company's development to create a competitive advantage and increase market value (Yusuf & Sawitri, 2009). This is also supported by research by Sianipar (2009), Solikhah et al. (2010), Laksana and Sudarno (2014) which explained that intellectual capital has a positive effect on the company's financial performance. Now companies in Indonesia, especially those that have gone public, are starting to concern intellectual capital which is seen as knowledge where in the process of its formation, wealth, and experience are the assets of the company. Intellectual capital is considered to have a very important role in the creation and maintaining competitive advantage and value for the company. The value of the company is the investor's perception of the company's performance related to the share price (Jacub, 2012). The rising share price makes the company's value increase as well. The company's high value is able to make the market believe in the company's performance and the development and growth of the company in the future. This will certainly benefit all stakeholders who are in business competition

The Indonesia Stock Exchange (IDX) reported positive growth in the number of investors in the Indonesian capital market. In 2017 and 2018, the number of Indonesian capital market investors amounted to 1.2 million and 1.5 million, respectively. As of May 2019, the number of Indonesian capital market investors has reached 1.9 million(https://money.kompas.com). Capital Market Law (UUPM) Number 8 year 1995 Article 1 Number 13 explains, the capital market is an activity related to public offerings and securities trading, public companies related to the securities issued, as well as institutions and professions related to securities. The capital market serves as a means of business funding for companies and as a means of investing for capital owners (Rivai, 2009:535). The existence of the capital market makes it possible for people to participate in business activities by obtaining a share of their profits and risks and allowing shareholders to sell their shares for liquidity (Nasaruddin, 2004:76). The capital market is said to be efficient when the share price can reflect the value of a company (Jogiyanto, 2000:12). The share price is a fair price that can be used as a proxy of the company's value (Margaretha, 2008). Table 1 shows the development of the composite stock price index on the Indonesia Stock Exchange (IDX) during 2011-2018.

Table 1 : Composite Stock Price Index (JCI) of Indonesia Stock Exchange

Period	IHSG End (Rp)	Changes / Year Rp	% Change
2014	3,703.51	1,169.16	46.13
2015	3,821.99	118.48	3.20
2016	4,316.69	494.7	12.94
2017	4,274.18	42.51	0.98
2018	5,226.947	952.77	22.229

Source : Statistika Pasar Model 2018, Keuagan Service Authority (OJK)

Table 1 shows that the movement of the composite stock price index during 2014-2018 fluctuated. However, in 2017 the composite stock price index decreased compared to the previous 4 years. The phenomenon of declining stock price index is an important indicator and becomes a signal for potential investors. Prospective investors will base their investment decisions on stock market price movements. The stock market price reflects the overall investor's valuation of each equity held by the company (Ridwan and Gunardi, 2013). Signaling theory explains that information published as an announcement related to stock market prices will signal investors in investment decision making. If the announcement contains positive value, then it is expected that the market will react when the announcement is received by the market. The stock market price is an indicator of the company's value (Ridwan and Gunardi, 2013). Corporate value is a form of maximizing the company's goals through increasing shareholder prosperity. Maximize shareholder prosperity is to maximize the present value of shareholders' expected returns in investment. Shareholders' prosperity increases when the share price increases (Jacub, 2012).

The firm theory explains that the company's main goal is to increase shareholder prosperity. The value of the company is the investor's perception of the company's financial performance related to the share price (Jacub, 2012). Financial statements can be used as an overview to assess and obtain information on how a company's financial performance is. Good financial performance can increase the share price and value of the company. Research from Ni Putu Yeni Astiti (2016) proves that financial performance has a positive effect on the company's share price and value. The study concluded that a high share price will increase the value of the company through good financial performance.

Opportunistic behavior of managers can affect information disclosed in financial statements. Opportunistic behavior is caused by the presence of asymmetric information. T eori agency implies the existence of information asymmetry between the manager as an agent and the shareholder as a principal. Information asymmetry is a situation where the manager has access to information on the prospects of the company that is not owned by outside parties. Asymmetry of information arises when managers are more aware of the company's internal information and future prospects than other shareholders and stakeholders. Therefore, good management of intellectual capital components, intellectual capital disclosure, and good corporate governance mechanisms are needed so that stakeholders have the correct information on the existence of the company. Stakeholder theory explains that the company is not an entity that only operates for its own benefit, but must provide information that benefits stakeholders (shareholders, creditors, consumers, suppliers, governments, communities, analysts and other parties) that can influence their decision making (Abdullah & Sofian, 2012).

Companies that apply knowledge-based business will create a way to manage knowledge as a means to increase financial kineja and corporate value. Knowledge based business is the process of transforming, capitalizing and transferring knowledge as a means to earn income (Sawarjuwono, 2003). Knowledge-based Theory explains that knowledge as a resource is very important for the company, because knowledge is an asset that if managed properly will improve the financial performance and value of the company. Intellectual capital is an approach to the assessment and measurement of knowledge assets. Intellectual capital is knowledge capital which includes all processes and intangible assets.

Resource based theory explains that companies have resources that can make the company has a competitive advantage and is able to direct the company to have good long-term performance. Valuable and scarce resources can be directed to create a competitive advantage, so that the resources owned can last a long time and are not easily imitated, transferred or replaced. The resources owned by this company are called intellectual capital. Intellectual capital is an accumulation of performance from three main elements of the company's human capital, structure capital, and customer capital that can provide more value for the company in the future. skills, knowledge, and experience as well as in organizational systems and procedures that can support the company's activities or performance (Purnomosidhi, 2006).

Research from Johan (2018) proves that the intellectual capital component has a positive and significant effect on profitability. The findings contradict research from Augustine (2014) which proves that human capital, structural capital does not have a positive and significant influence on the company's performance. While relational capital has a negative and insignificant influence on the company's performance. In Indonesia, the phenomenon of intellectual capital began to develop especially after the emergence of PSAK No.19 (revised 2000) on intangible assets, although it was not explicitly stated as intellectual capital. Intellectual capital is growing rapidly, especially in Indonesia because intellectual capital itself plays a role in the development of companies to create competitive advantages and increase the value of the company (Yusuf and Sawitri, 2009). The appreciation of the company's shares from investors is believed to be due to the intellectual capital component owned by the company (Appuhami, 2007).

Conservatory accounting practices emphasize that the company's investment in intellectual capital presented in financial statements results from an increase in the difference between market value and book value. If the market is efficient, then the higher the intellectual capital of the company, the higher the company's value (Belkaoui, 2003; Firer and Williams, 2003). This is because investors will give high value to companies that have greater intellectual capital (Yuniasih et al., 2010). Wahyuni, Suratno, & Anwar (2017); Eristy (2018) proves that VACA has a significant influence on the value of the company. Research from Nurani, Zulbahridar, and Azhari (2014) proves that physical capital (VACA) does not have a significant influence on the value of the company. Research by Fajriani (2017); Eristy (2018). In contrast to research from Maditinos et al. (2011) and Susanti (2016), it proves that VAHU has an insignificant influence on the value of the company. This research also proves that the costs incurred by the company for employees are not very efficient to generate added value for the company. Research from Li and Zhao (2018); Johan (2018) identified causality and found no significant link between human capital and corporate value. Research from Dewi and Isynuwardhana (2014); Eristy (2018) proves that STVA does not affect the value of the company.

Although intellectual capital is difficult to see and quantify, the results will still be reflected in the productivity, efficiency and profitability of larger companies (Berzkalne & Zelgavle, 2014; Ranani and Bijani, 2014; Ornek & Ayas, 2015; Cleary & Quinn, 2016; Musadiq & Iqbal, 2016). However, different results were found by Frykman & Tolleryd (2010), where intellectual capital containing the company's non-financial assets was not reflected in the balance sheet. This is due to the large gap between market value and book value expressed by the company. In addition, financial statements are considered to fail to disclose the hidden value of intellectual capital in the annual report (Cuozzo et al., 2016). The relationship between intellectual capital disclosure and financial performance has been empirically proven by several previous researchers. Research from Awaluddin (2014); Liana (2009) proves that intellectual capital disclosure has a positive effect on the company's value. Research from Setya (2012) proves that intellectual capital disclosure has no effect on the company's performance. This is because companies in Indonesia still rely on physical capital over intellectual capital. The findings are different from the findings from Amma (2013) which proves that disclosure of intellectual capital has a significant effect on the company's performance. This is because companies in Indonesia have realized that the component of intellectual capital is a resource that can increase the share price through good management. Disclosure of intellectual capital is a manifestation of the process of managing resources owned by the company. To minimize this behavior, good corporate governance mechanisms are needed, such as increasing institutional ownership, ownership of managers, independent board of commissioners, and audit commissions (FCGI, 2001:5).

Corporate governance is a process and structure implemented in running the company with the main objective of increasing shareholder value in the long term while paying attention to the interests of other stakeholders (shareholders, creditors, suppliers, customers, company employees, government and the community interacting with the company) (Sutedi, 2012). This concept emphasizes on two things, namely, first, the importance of shareholders' right to obtain information correctly and on time and, secondly, the obligation of the company to make accurate, timely, transparent disclosure of all company performance information, ownership, and stakeholders. Jensen and Meckling's research (1976) in Herawaty (2008) resulted in a statement that managerial ownership as a proxy for corporate governance is a mechanism to reduce agency problems from managers. Institutional ownership as one of the governance mechanisms often referred to as sophisticated investors (sophiscated) should be able to use current period information in predicting future returns compared to non-institutional investors. Beasley's research (1996) in Sawarjuwono and Agustine (2003) examined the relationship between the proportion of commissioners and financial reporting by comparing companies that commit fraud with companies that do not commit fraud. The study found that companies that commit fraud have a significantly lower percentage of external (independent) board of commissioners compared to companies that do not commit fraud. Based on these cases, it can prove that the corporate governance mechanism has an important role as a function of supervision of all corporate activities. Research from Klein (2006) found that good corporate governance provides a variety of benefits, such as minimizing the cost of capital, improving the company's image, increasing the value of the company, and to avoid fraud.

II. Rivew Literature

1. Stakeholder Theory

The term stakeholders was originally introduced by the Stanford Research Institute (SRI), namely "Those groups without whose support the organization would cease to exist" (E. Freeman & Reed, 1983). The essence of that thinking leads to the existence of an organization (in this case a company) is strongly influenced by the support of groups that have a relationship with the organization. Freeman defines stakeholders as: "any group or individual who can affect or is affected by the organization's objectives." The free translation is as a group or individual that may affect and/or be influenced by an achievement of a particular goal. Freeman & Reed (1983), developed stakeholders theory and introduced the concept in two models, namely: (1) policy model and business planning; and (2) corporate social responsibility model and stakeholders management. Stakeholders theory is basically a theory that describes to whichever party the company is responsible for (W. H. Freeman, 2001). The Company must maintain relationships with its stakeholders, especially stakeholders who have power over the availability of resources used for the company's operational activities, such as labor, the market for the company's products and others Chariri & Ghozali (2007). One of the company's strategies to maintain relationships with stakeholders is to disclose sustainability reports that inform about economic, social and environmental performance. Stakeholder theory explains that the company is not an entity that only operates for its own benefit, but must provide benefits to stakeholders (shareholders, creditors, consumers, suppliers, governments, communities, analysts and other parties). Thus, the existence of a company is strongly influenced by the support provided by stakeholders to the company. This theory also shows that all stakeholders have the right to obtain information about the company's activities that can influence their decision making. There are three approaches related to stakeholder theory (Fahrizal, 2015)

In terms of management perspective integration, Penrose's holistic idea (1959) of the growth theory of the firm (GTF) states that the company is a collection of productive resources. It is further stated that the company's resources consist of human resources (HR) and non-human. This theory then became the basic reference for the development of resource-based view theory as stated by Barney (1991). In RBV's view, performance is the result of the work of all resources within the company, the organizational and unique capabilities possessed by the company or the performance of all internal resources and filling the challenge opportunities of the external company (Barney, 1991; Menguc et al., 2010). This view is an acknowledgment of the scope of RBV-based strategy theory which claims that the company is composed of a variety of resources (Penrose, 1959; Barney, 1991; Rauch et al., 2005). Company resources are all assets owned by the company (Barney, 1991) both tangible and intangible (Penrose, 1959). Intangible resources can be included in the category of human resources namely managers and employees (Rauch, 2005), so that the collaboration of these two resources produces a sustainable competitive advantage. Along with the increasing understanding of the existence of employees as an important asset of the organization, the company's knowledge-based view was created. The emergence of knowledge-based view is triggered by the increasingly competitive state of the global economy, where it requires companies to change and improve their performance in order to compete in the midst of many competitor companies (Nawangsari, 2016). In its application, knowledge based view aims to create value added for consumers (Libyanita and Wahidahwati, 2016). Knowledge based view (KBV) is a new extension of the company's resource-based theory (RBT) that provides a strong theoretical understanding in supporting intellectual capital. KBV comes from RBV and shows that knowledge in its various forms is in the interest of resources (Grant, 1991). The basic assumption of a company knowledge-based theory is a derivation of the company's resource-based theory of view

Agency problems were initially explored by Ross (1973), while detailed theoretical exploration of agency theory was first stated by Jensen and Mecking (1976). Agency Theory is one of the theories that emerged in the development of accounting research which is a modification of the development of financial accounting model by adding aspects of human behavior in the economic model. This theory is rooted in the synergy of economic theory, decision theory, sociology, and organizational theory. Agency theory describes the company as a meeting point between the owner of the company (principal) and management (agent). The concept of agency theory according to R.A Supriyono (2018:63) is a contractual relationship between principal and agent. This relationship is done for a service where the principal authorizes the agent regarding the best decision making for the principal by prioritizing the interest in optimizing the company's profit so as to minimize the burden, including tax expenses by committing tax avoidance. Agency theory is the granting of authority by the owner of the company (shareholders) to the management of the company to carry out the company's operations in accordance with the agreed contract, if both parties have the same interest to increase the value of the company then the management will act in accordance with the interests of the owner of the company.

The agency's theory bases the contractual relationship between shareholders/ owners and management/managers. In the theory of the agency mentioned that the manager of a company as an "agent" and shareholders "principal". Shareholders who are principals delegate business decision making to managers who are representatives or agents of shareholders. The problem that arises as a result of the company's ownership system like this is that agents do not always make decisions aimed at meeting the best interests of principals (Jensen and Meckling, 1976). Conflict and attraction of interest between principals and agents can cause problems in agency theory known as asymmetric information or unbalanced information caused by the distribution of unequal information between principals and agents. External parties' reliance on accounting figures, managers' tendency to seek their own profits and high levels of asymmetric information, led to a great desire for managers to manipulate reported work for self-interest.

B. Intellectual Capital

In Sawarjuwono (2003), Klein and Prusak stated what later became the standard definition of Intelectual Capital (intellectual capital), which was later popularized by Stewart (1994). According to Klein and the Prusak"... we can define intellectual capital operationally as intellectual material that has been formalized, captured, and leveraged to produce a higher valued asset" (Stewart 1994). According to Sveiby (1998) in Sawarjuwono (2003) "The invisible intangible part of the balance sheet can be classified as a family of three, individual competence, internal structural, and external structure". Meanwhile Leif Edvinsson as quoted by Brinker (2000:np) equates IC as the sum of human capital, and structural capital (for example, relationships with consumers, information technology networks and management). The Society of Management Accountants of Canada (SMAC) defines intellectual assets as follows: In balance sheet are those knowledge-based items, which the company owns which will produced a future stream of benefits for the company (IFAC, 1998 in Sawarjuwono, 2003).

Intellectual capital is an intangible asset in the form of information and knowledge resources that serve to improve the ability to compete and improve the company's performance (Arfan 2008:83). Intellectual capital is derived from three pillars, namely human capital, structural capital and customer capital (Ulum, 2013). Intellectual capital provides additional advantages or establishment of business processes and provides more value compared to other companies (Sawarjuwono et al., 2003). Bontis, Chong Keow and Richardson (2000), stated that intellectual capital is intellectual material (knowledge, information, intellectual property, experience) used to create corporate value or increase wealth for shareholders.

C , I'msorry. Corporate Governance

Issues regarding corporate governance began to arise, especially in Indonesia after Indonesia experienced a prolonged crisis since 1998. Many say the length of the improvement process in Indonesia is due to the very weak governance applied in companies in Indonesia. Corporate governance is a process and structure used by the corporate organs to improve the success of the company's business and accountability in order to realize shareholder value in the long term while paying attention to other stakeholders, based on legislation and ethical values (Sutedi, 2012).

The Forum for Corporate Governance in Indonesia (FCGI) defines corporate governance as a regulatory device governing the relationship between shareholders, the management of the company, creditors, the government, employees and shareholders, other internal and external interests relating to the rights and obligations or in other words a system that regulates and controls the company. The corporate governance system benefits all beneficiaries including shareholders, customers, staff and the public, in the long run (Alavi and Abbas, 2013). The existence of corporate governance is for the benefit of all financial stakeholders including investors, creditors, board members, managers and staff as well as various industries and various sectors of the economy. Good corporate governance plays an important role in improving economic efficiency and growth, as well as increasing trust. Rising investor confidence also plays an important role in the country's economy. The company also benefits from a good and efficient system of governance. If the company is profitable, there are more incentives to implement corporate governance and its interests are obtained either directly (through easier access to finance and low capital costs) or indirectly through (gaining a better business reputation and business opportunities) (Safieddine et al, 2009).

Whatever form of ownership of the company, be it private, government or non-profit requires good management of its activities (Adebayo, 2013). Governance is a series of mechanisms to direct and control company managers and managers so that the company's operations meet the expectations of stakeholders (Waseem, 2011). With this mechanism, it is expected that the decision-making mechanism in each management can be controlled and the company can achieve its business objectives optimally. (Mundung, 2006; Mahmud, 2002). The corporate governance management mechanism ensures that management actions will always be directed at increasing the value of the company. At the same time as a form of attention to stakeholders, employees, creditors and the surrounding community. The corporate governance mechanism consists of external and internal mechanisms of the company (Sutedi, 2012), (Cornett et al., 2006). (a) External mechanisms. External mechanisms are influenced by external factors of the company including investors, public accountants, lenders and institutions that legalize legality. (b) Internal mechanisms. Internal mechanisms are influenced by internal corporate factors including institutional ownership, managerial ownership, an independent board of commissioners, and an audit committee.

D. Financial Performance

The company's financial performance is indicated by its financial statements. Financial statements are the main means used by companies to convey financial information. The purpose of financial statements is to provide information related to financial position, performance, and changes in the company's financial position that are beneficial to a large number of users in economic decision making (Brigham, 2006). Financial statements should be presented according to the needs of the users of financial statements coming from various elements such as investors, employees, lenders, suppliers, governments, customers, creditors.Financial information in the financial statements must meet four basic qualitative characteristics that make financial statement information useful for the users. These four characteristics are understandable, relevant, reliable, and comparable (IAI, 2009). The company's financial performance is an achievement achieved by the company in a certain period that reflects the level of health of the company (Brigham, 2006). Financial performance provides an overview of the company's achievements in its operational activities, including financial aspects, marketing aspects, fund raising and fund raising aspects, technology aspects, and human resources aspects (Kaplan, 2001). Financial performance demonstrates the company's ability to benefit from its assets, equity and debt.

Measurement of the company's performance is indispensable in relation to consumer satisfaction of internal processes, and activities related to improvement and innovation in the organization that leads to future financial returns (Dewi et al. 2008). Measurements of investment returns, growth, volume, profit and labor in general companies are taken to determine financial performance (Kaplan, 2001). The financial performance of a company is an overview of the financial condition of a company that is analyzed with financial analysis tools, so that it can be known about the poor financial condition of a company that reflects the performance of work in a certain period. It is very important that resources are used optimally in the face of environmental changes. Financial performance can be seen from the financial statements. These financial statements are prepared and construed for the benefit of management and other parties who are concerned or have an interest in the company's financial data. The measurement of financial performance is by using financial ratios. The financial ratio shows changes in the financial condition of the company as well as the potential of the company in managing the company's wealth in increasing the value of the company. The company's value shows investors' view of the company's achievements in managing its resources. The more investors who buy the company's shares, the price of the shares will increase then the value of the company will rise. The ups and downs of a company's share price determine the value of the company in the eyes of the investor

E. Company Value

The value of the company relates to the value in the amount of money that the buyer is willing to pay when the company is sold (Husnan, 2004). Randa and Solon, (2012) stated that the value of the company is the investor's perception of the company's performance or activities associated with the price that prospective buyers must pay if the company is sold at the share price. The high share price makes the company's value also high. The company's high value will increase market confidence in the company's current and future performance. Maximizing company value means maximizing key objectives
the welfare of the owners or shareholders (Cashmere, 2010).

Sartono (2010:9) explained that the goal of maximize the prosperity of shareholders can be achieved by maximize the present value of all shareholders' profits that are expected to be obtained in the future. Shareholders' prosperity will increase if the share price increases, then the value of the company will increase in line with the increase in the share price itself. The company's value is reflected in the stable share price and in the long run increases. The higher the share price, the higher the company's value.

The high value of the company becomes the desire of the owners of the company, because with a high value shows the prosperity of shareholders is also high. To achieve this, the company expects financial managers will take the best action for the company by maximizing the value of the company so that the prosperity (welfare) of the owner or shareholders can be achieved. The value of the company can be defined by its share price. This is due to stock market prices containing expectations about the future. The company's value is reflected in the equity market value and debt market value. Empirical facts in the Indonesian capital market show that funding decisions, dividend policies, investment decisions, company growth, and company size have an influence on the company's value movements (Ross et al., 2008). The value of companies that have gone public is reflected in the company's stock market price. The value of the company that has not gone public is realized if the company will be sold (total assets and prospects of the company, business risk, business environment) (Jumingan, 2009).

Optimization of the company's value which is the company's goal can be achieved through the financial management function, where one financial decision taken will affect other financial decisions and have an impact on the value of the company. On the other hand, optimization of the company's value is not only with equity value that must be considered, but also all financial sources such as debt, warrants, and preferred shares. The value of the company can be measured using the value of the share price in the market based on the formation of the company's share price in the market, which is a reflection of the public's assessment of the company's performance in real terms. The formation of market prices depends on market efficiency conditions both in information and decisions, ranging from weak, semi-strong and strong form efficiency (Harmono, 2014:50). The company's value is market value. Market value is used because the company's value can provide maximum shareholder prosperity the company's share price increases. The higher the share price, the higher the shareholder prosperity. To achieve the company's value generally the financiers hand over their management to the professionals. Paraprofessional positioned as manager or commissioner in the company. The value of the company is the price that the prospective buyer is willing to pay if the company is sold. Enterprise value (EV) or firm value is an important concept for investors, because it is an indicator for the market to assess the company as a whole. For companies that issue shares in the capital market the share price traded on the exchange is an indicator of the value of the company. The high value of the company becomes the desire of the owners of the company, because with a high value shows the prosperity of shareholders is also high. Maximize the value of the company will be identical to maximize profit. The value of the company can basically be measured through several aspects, one of which is the company's stock market price because the company's stock market price reflects the investor's overall valuation of each equity owned. If the value of a company can be proxies with the share price then maximize the market value of the company is the same as maximize the stock market price.

III. Resarch Method

This research is intended to test and analyze the influence of intellectual capital components, intellectual capital disclosure, and corporate governance mechanisms on the company's financial performance and value. The research approach used in this study refers to the opinions expressed by (Scott & Deirdre, 2009). The research approach is a way of thinking adopted by researchers about how research design is made and how research will be done. The type of research approach used in this research is quantitative research approach. This approach is tailored to the need to find answers to problem formulation. Characteristics of quantitative research approach, consisting of data types (phenomena described numerically), analysis (descriptive and inferential statistics), research coverage (specific hypotheses or questions). The main advantages of quantitative approaches are the size of the sample and the validity of the statistics accurately reflecting the populasi. The research was conducted at the Indonesia Stock Exchange by accessing data through the Indonesia Capital Market Directory and IDX website. The research object is a manufacturing company listed on the Indonesia StockExchange. The sample in this study amounted to 103 based on the criteria. This study analyzed the data using PLS (Partial Least Square) model analysis tools, descriptive analysis, and data quality test. The PLS model test is used on the grounds that PLS is able to explain constructs formed with reflective, soft-modelling indicators. This soft-modelling refers to the ability of PLS to demonstrate great flexibility, and the use of looser assumptions in multivariate statistics, such as normality issues, small sample usage or large number of indicators (Ringle, Rigdon, and Sarstedt, 2018). This method is a powerful analytical tool because it is not based on many assumptions, data does not have to be normally distributed, samples do not need to be large, and is able to explain latent intervariable relationships (Ghozali, 2014). Another advantage of PLS because it can be used on data of different scale types is being able to manage the problem of independent intervariable multilinearity, and the results remain robust even though there is abnormal data, and lost (Abdillah & Jogiyanto, 2015).

IV. Results And Analyis

A. SEM-PLS Test Results

The relationship between variables in this study only has first order constructs and indicators that are formed into reflective relationships. The endogenous variables in this study are financial performance (KK) which has three indicators and the value of the company (NP) with four indicators. While the exogenous variables in this study are intellectual capital components (KMI), intellectual capital disclosure (PMI), corporate governance mechanisms (MTKP) which consist of three, five, and three indicators, respectively. In pls-based structural equation modeling, the first step to be done is to determine the specification of the model consisting of two, namely the structural model (inner model) and the measurement model (outer model). The inner model designed in this study is the relationship between exogenous latent variables to endogenous latent variables. Outer model is the relationship between indicator variable and latent variable. The outer models designed in this study are reflective. According to Ghozali, indicators in reflective models are manifestations of construction. All indicators reflect the same construct and indicators must also have the same or similar content. After designing the inner model and outer model, both models are constructed in a path diagram. Diagram of the modeling of the influence of intellectual capital components (KMI), intellectual capital disclosure (PMI), corporate governance mechanism (MTKP) on financial performance (KK) and company value (NP) can be seen in Figure 1 below:

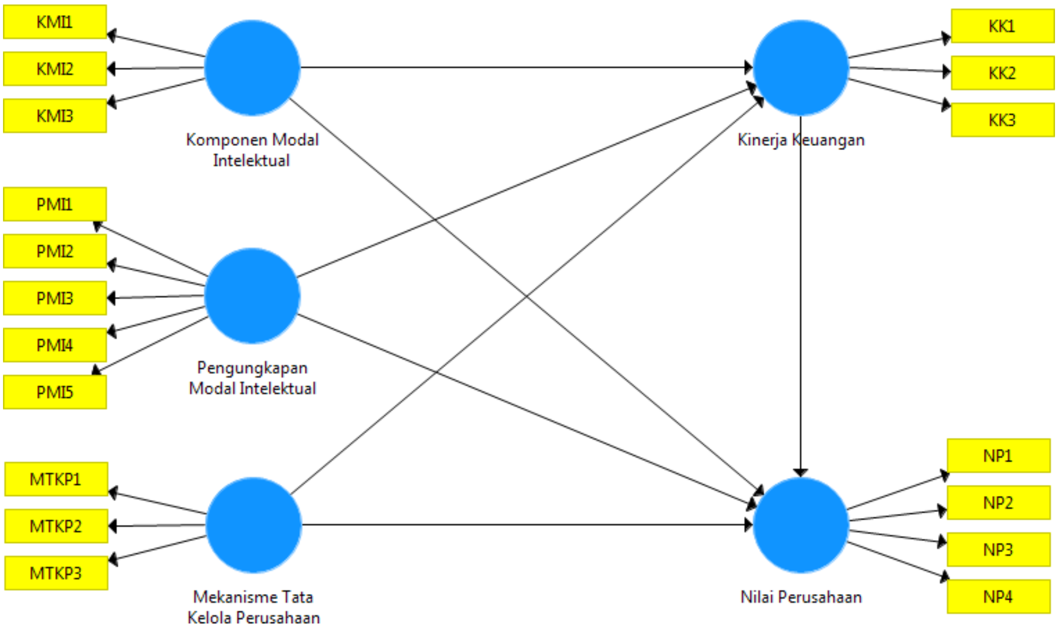

Figure 1 Line Chart Construction

Measurement model or measurement model is part of SEM model that describes the relationship between latent variables and their indicators. A straight arrow indicates the relationship of latent variables towards each indicator. In addition, there is also a straight arrow of error and disturbance terms towards each variable, nor is there any direct influence or straight arrow that connects with latent variables. Measurement models are evaluated just like other SEM models by using alignment test measurements. The analysis process can only continue if the measurement model is valid. According to Ghozali and Latan (2015) evaluation of outer models was done by testing the validity of convergent and discriminant. The validity of a convergent relates to the principle that the gauges (variable manifests) of a construct should be highly correlated. Test the validity of convergent reflective indicators with SmartPLS 3.0 program can be seen from the loading factor value for each construct indicator and AVE for each variable. The test results of the measurement model can be seen in Figure 2 below

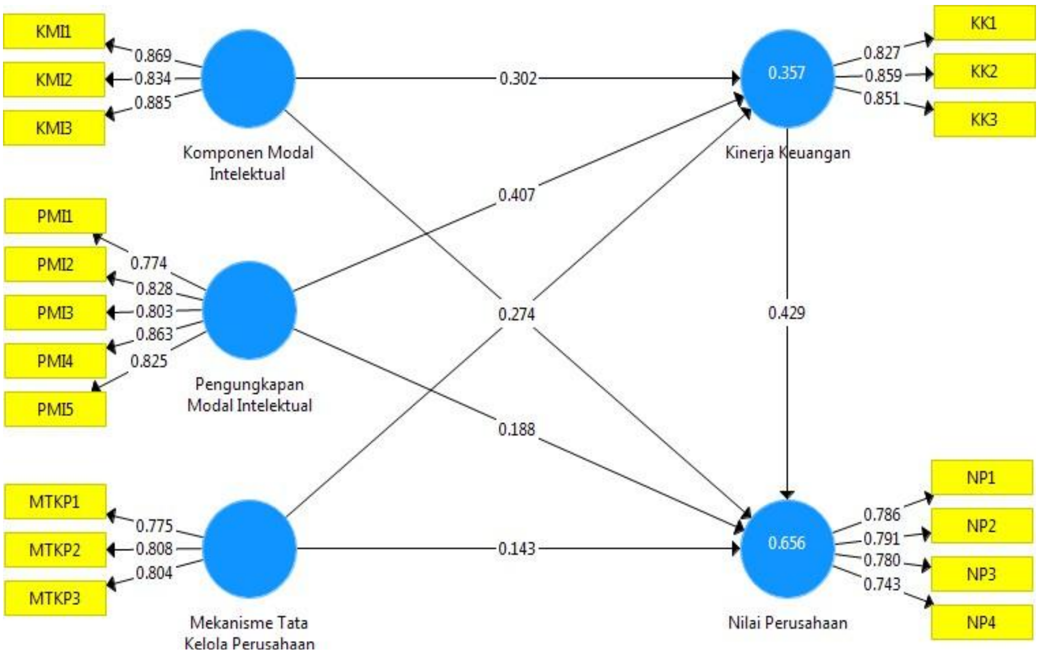

Figure 2 Test Result Of Source Measurement Model: SmartPLS Output 3.0

Evaluation of the validity of the construct is done by calculating the validity of the convergent and the validity of the discriminant. The validity of convergents is known through loading factors. An instrument is said to meet convergent validity testing if it has a loading factor above 0.7. The results of the convergent validity test are presented **in the** following Table **2:**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (|O/STERR|)
KMI1 <- KMI	**0,869**	0,868	0,038	0,038	23,105
KMI2 <- KM	0,83	0,816	0,077	0,077	10,805
KMI3 <- KM	**0,88**	0,8	0,027	0,027	32,837
PMI1 <- PMI	**0,774**	0,673	0,079	0,079	8,586
PMI2 <- PMI	**0,828**	0,831	0,031	0,031	27,013
PMI3 <- PMI	**0,803**	0,798	0,050	0,050	16,218
PMI4 <- PMI	**0,863**	0,861	0,031	0,031	27,468
PMI5 <- PMI	**0,825**	0,823	0,040	0,040	20,458
MTKP1 <- MTKP	**0,775**	0,682	0,074	0,074	9,090
MTKP2 <- MTKP	**0,808**	0,799	0,093	0,093	8,650
MTKP3 <- MTKP	**0,805**	0,794	0,081	0,081	9,965
KK1 <- KK	**0,827**	0,820	0,048	0,048	17,201
KK2 <- KK	**0,859**	0,863	0,027	0,027	31,696
KK3 <- KK	**0,851**	0,852	0,030	0,030	28,050
NP1 <- NP	**0,786**	0,786	0,051	0,051	15,380
NP2 <- NP	**0,791**	0,790	0,047	0,047	16,751
NP3 <- NP	**0,780**	0,778	0,052	0,052	14,939
NP4 <- NP	**0,743**	0,735	0,085	0,085	8,79

Based on the table above it can be known that all items that measure variable components of intellectual capital, intellectual capital disclosure, corporate governance mechanisms, financial performance, and corporate value are worth greater than 0.7. Thus the item is declared valid to measure its variables

The validity of the discrete is calculated using cross loading with the criteria that if the loading value of an item in a corresponding variable is greater than the loading value of an item in another variable then the item is declared valid in measuring the corresponding variable. The results of cross loading calculation **are presented in Table 3 below:**

	Kmi	Pmi	MTKP	Kk	Np
KMI1	0,869	0,390	0,437	0,401	0,482
KMI2	0,834	0,278	0,375	0,346	0,406
KMI3	0,885	0,387	0,444	0,431	0,539
PMI1	0,450	0,774	0,492	0,518	0,554
PMI2	0,466	0,828	0,522	0,531	0,425
PMI3	0,437	0,803	0,458	0,480	0,345
PMI4	0,492	0,863	0,476	0,578	0,382
PMI5	0,430	0,825	0,508	0,476	0,315
MTKP1	0,399	0,403	0,775	0,499	0,636
MTKP2	0,330	0,332	0,808	0,488	0,383
MTKP3	0,350	0,375	0,805	0,533	0,378
KK1	0,553	0,366	0,389	0,827	0,541
KK2	0,596	0,410	0,420	0,859	0,483
KK3	0,634	0,272	0,392	0,851	0,425
NP1 function	0,673	0,356	0,445	0,426	0,786
NP2 function	0,672	0,423	0,496	0,439	0,791

Based on cross loading measurement in the table above, it can be known that the whole item that measures the variable components of intellectual capital, intellectual capital disclosure, corporate governance mechanism, financial performance, and corporate value produces a greater loading value compared to the loading value in other variables. Thus it can be stated that each item is capable of measuring latent variables corresponding to the item.

The next testing method for measuring validity is by the Fornell-Larcker criteria. The Fornell-Larcker criteria is a second approach to assessing the validity of the discriminant. This compares the square root of the AVE value with the correlation of latent variables. In particular, the square root of each AVE construct should be greater than the highest correlation with other constructs. An alternative approach to evaluating criterion Fornell-Larcker results is to determine whether AVE is greater than the quadratic correlation with other constructs. The logic of the Fornell-Larcker method is based on the idea that the construct shares more variance with related indicators than with other constructs. If the condition of the construct in question is reflected by the minimum AVE value, having cross-correlation with other constructs turns out to be larger, then it is declared invalid discriminant, because efforts to build correlation with other parties appear stronger than the capacity of the construction in question. Table 9 presents the results of an analysis of the Fornell-Larcker AVE – cross-correlation method.

Table 4
Diskriminant Validity Test with Forneel Criteria -Larcker

	Kmi	Pmi	MTKP	Kk	Np
Kmi	0,846				
Pmi	0,413	0,863			
MTKP	0,474	0,488	0,765		
Kk	0,703	0,458	0,666	0,775	
Np	0,571	0,557	0,614	0,649	0,801

Test results showed that ave roots for intellectual capital components (0.846), intellectual capital disclosure (0.863), corporate governance mechanisms (0.765), financial performance (0.775), and company values (0.801) had greater value compared to square correlations with other constructs. Based on these comparisons, all constructs can be declared validly discriminant

Hypothesis testing is based on the results of Inner Model (structural model) testing which includes parameter coefficient and t-statistics (significance). To see if a hypothesis is acceptable or rejected among others by paying attention to the value of intercontracted significance, t-statistics, and p-values. Hypothetical testing of this research was conducted with the help of SmartPLS (Partial Least Square) 3.0 software. These values can be seen from the results of bootstrapping. Rules of thumb used in this study are t-statistics >1.96 with p-value significance of 0.05 (5%) and the beta coefficient is positive. This test was conducted to determine the strength of the influence of exogenous variables on endogenous variables, either directly or indirectly (mediation). The results of bootstrapping can be seen in Figure 5 below

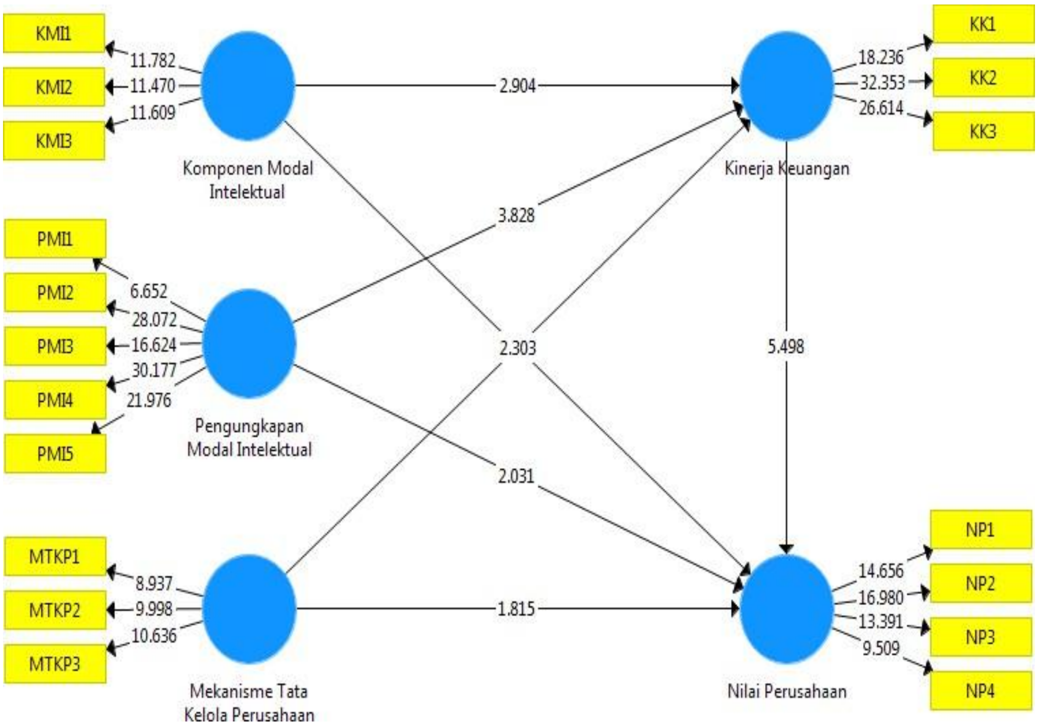

Table 5. Coefficient of Direct Influence Test Results

	Original Sample (O)	**Standard Error (STERR)**	**T Statistics (|O/STERR|)**	**Q Value**	**Ket, what's goingon?**	**Hypothesis**
KMI -> KK	0,302	0,104	2,904	0,004	Sig, what's goingon?	Accepted
PMI -> KK	0,407	0,106	3,828	0,000	Sig, what's goingon?	Accepted
MTKP -> KK	0,274	0,119	2,303	0,022	Sig, what's goingon?	Accepted
KMI -> NP	0,209	0,079	2,635	0,009	Sig, what's goingon?	Accepted
PMI -> NP	0,188	0,093	2,031	0,044	Sig, what's goingon?	Accepted
MTKP -> NP	0,143	0,079	1,815	0,071	No Sig.	Rejected
KK -> NP	0,429	0,078	5,498	0,000	Sig, what's goingon?	Accepted

Based on the table above, it is known that there are three variables that directly affect financial performance and four variables that directly affect the value of the company. The test results showed that the intellectual capital disclosure variable (PMI) had the largest direct influence on financial performance, namely 0.407, while the variable financial performance mechanism (KK) had the largest direct influence on the company's value, namely 0.429.

In addition, this study also tested the indirect influence (mediation) between variables, namely, there are three variables that affect the value of the company through financial performance. The results of indirect influence measurement are presented in table 13 below:

Table 13 Coefficient of Indirect Influence test results

Indirect Effect	Original Sample (O)	Standard Error (STERR)	T Statistics (|O/STERR|)	P Value	Ket.
KMI -> KK -> NP	0,186	0,080	2,325	0,021	Sig.
PMI-> KK -> NP	0,212	0,068	3,118	0,002	Sig.
MTKP -> KK -> NP	0,164	0,077	2,130	0,035	Sig.

Based on table 6 above, it is known that the variable that indirectly affects the company's value is intellectual capital disclosure, which is 0.212. Then the intellectual capital component is 0.186 and the corporate governance mechanism is 0.164.

V. Discussion

1. The intellectual capital component has a positive and significant effect on financial performance

The test results showed that the intellectual capital component had a positive effect on financial performance (KMI → KK) with a track coefficient of 0.302. This result is significant indicated by a statistical t-value (2,904) greater than the t-table value (1.96) and p value (0.004) less than 0.05. This indicates that directly the intellectual capital component has a significant influence on financial performance. These results are in line with previous research (Bino, 2012; Riza, 2013; Nurnajamuddin and Budiandrini, 2014; Sutopo, 2018; Utami, 2018). The results found that the intellectual capital component affects financial performance. This is likely due to the increase in performance caused by standard standards for measuring the intellectual capital of companies listed in the IDX. The market is considered to have given special attention and appreciation to the main factors of intellectual capital such as human resource capital and fundamental factors achieved compared to other aspects of the company. When referring to resource-based theory, intellectual capital owned by a sample of companies is proven to create value added that provides a competitive advantage so that it is expected to increase the company's sales.

On the other hand, these results suggest that HCE seems to fully support the improvement in the company's performance. There are various factors that make HCE considered capable to increase the company's profit. For example, there are indications that the salaries and benefits provided by the company to its employees, have been enough to motivate employees in increasing the company's revenue and profit, accompanied by good HR management such as training and employee development. Human capital theorists think that improvements in employees' skills, knowledge and abilities can play a role in improving the company's performance.

Another important aspect that contributes significantly to financial performance is HCE. This result explains that the efficiency of human capital (salaries, bonuses, allowances, and the like) is considered to reduce the company's operating costs so that profits can be maximized. Greater salaries and benefits to employees can motivate these employees to increase their productivity in the production process. Good Human Resource Management (HR) in the company can increase employee productivity which will also increase the company's revenue and profit. The company in managing assets has been able to reduce the company's operating costs to a minimum so that the Value Added (VA) of funds issued by Human Capital (HC) is increasing.

The next indicator contributing to significant test results is SCE. This explains that structural capital efficiency seems to be considered capable of improving the ability to generate profit of companies listed in the IDX. Various factors that cause SCE to be able to increase the company's profit is an indication that the amount of Structural Capital (SC) required by the company is sufficient to meet the company's routine process in producing optimal performance. Another thing is that good structural capital management such as system management, procedures, databases, will hinder employee productivity in generating Value Added (VA). This indicates that the company has so far managed its assets optimally which causes operational costs to increase to create better asset management (ROA).

The last indicator is CEE, where the test results found that CEE had a positive and significant influence on financial performance. This explains that the utilization of capital efficiency used can increase ROA. These results explain that the capital used is the value of the assets that contribute to the company's ability to generate revenue. So if the capital used by a company in a relatively large amount, it results in the sale and total assets of the company is also relatively large.

In general, stakeholder theory provides an argument that all stakeholders have the right to be treated fairly and managers should manage the organization for the benefit of all stakeholders. In the context of explaining the concept of Intellectual capital (IC) or intellectual capital, stakeholder theory can be confirmed again. Value creation in this context is to utilize all the potentials of the company, both employees (human capital), physical capital, and structural capital.

Good management of all this potential will create value added for the company which can then boost the company's financial performance for the benefit of stakeholders. In addition, if Intellectual Capital is a measurable resource for increasing competitive advantages, then Intellectual Capital will contribute to the company's financial performance. In other words, the more efficiently the company manages the company's physical capital, human capital and structural capital, which will provide improved results indicated by the improvement in the company's financial performance. Utilization of intellectual capital will contribute significantly to the achievement of competitive advantage and will further be reflected in the company's good performance. So it can be concluded that if intellectual capital is managed well by the company then it can improve the company's performance.

2. Disclosure of intellectual capital has a positive and significant effect on financial performance

The test results showed that intellectual capital disclosure had a positive effect on financial performance (PMI → KK) with a track coefficient of 0.407. This result is significant indicated by the value t-statistic (3828) greater than the value of t-table (1.96) and p value (0.000) less than 0.05. This indicates that direct disclosure of intellectual capital has a significant influence on financial performance. This research supports the results of previous research (Liana 2009; Setya, 2012; Awaluddin, 2014).

Disclosure of intellectual capital has a positive effect on the company's performance. This indicates that the market gives higher valuations to companies that have higher intellectual capital by looking at financial performance. Most of the samples of companies are judged to have displayed their intellectual capital so that it attracts investors to give high value to the company. Although it does not include a fairly basic report in an annual report, voluntary reports are considered sufficiently representative in answering the broader information needs for users of the annual report. Intellectual capital disclosure has become a new form of communication that controls "contracts" between management and workers.

In signal theory, signal is the company's way of giving signals or signals to users of information disclosed by the company. This theory gives the view that companies will provide more information disclosure voluntarily than is supposed to give a positive signal, so companies tend to improve the information provided to stakeholders by making disclosures in annual reports. Investors will give more assessment to companies that have high intellectual capital. The Company discloses intellectual capital in financial statements in order to meet investor information needs, as well as increase the value of the company. Positive signals from the organization is expected to get a positive response from the market, it can provide benefits for the company and provide higher value for the company

Intellectual capital disclosures made by companies are valuable information for investors because they can help them in reducing uncertainty about future prospects and can make it easier to assess the company. Good disclosure of intellectual capital also relates to increased transparency and reduction of information asymmetry between companies and investors, leading to an increase in the value of a company.

On the other hand, disclosure also allows managers to create strategies to achieve the demands of stakeholders such as investors and to reassure them of the advantages or benefits of company policies. This will attract investors to give high value to the company. The more intellectual capital information disclosed in the company's financial statements, the higher the company's financial performance. This has an impact on the attention or trust of stakeholders to the company and can maintain the welfare or survival of the company, as well as provide useful information to potential investors, creditors and interested parties with the company's financial statements.

Disclosure of intellectual capital is very important in Indonesia, although there are no standard guidelines or rules for measuring intellectual capital. Disclosure of intellectual capital has become a new necessity applied by companies in Indonesia. Some forms of mandatory disclosure required by the accounting profession related to physical capital have been communicated to the public properly. Other disclosures, such as human capital, have adequate needs of the user so as to minimize information gaps. Disclosure of intellectual capital is important in the company's annual report.

3. Corporate governance mechanisms have a positive and significant effect on financial performance

The test results showed that the corporate governance mechanism (MTKP → KK) had a positive effect on financial performance with a line coefficient of 0.274. This result is significant indicated by a statistical t-value (2,303) greater than the t-table value (1.96) and p value (0.022) less than 0.05. This indicates that directly the corporate governance mechanism has a significant influence on financial performance. The results of this research are in line with the research of Frysa (2011) and Nur (2013) which found that the implementation of Good Corporate Governance has a significant effect on financial performance

Empirical evidence states that ownership with high professionalism will result in more objective decisions and can oversee managerial performance effectively. The decisions taken are not in the interest of certain parties where the manager only acts in the interest of the company and other stakeholders in improving financial performance. The sample company has assessed that an important element in the effectiveness of the board of commissioners is to have an independent commissioner. Therefore, the ownership structure with a proportional amount is considered to affect the decision-making process will be more objective so that it will improve the company's financial performance. In general, manufacturing companies in this research have applied the principles of good governance.

This result is also in line with stakeholder theory because this theory is related to parties related to the company; affected and affected by the company's activities. Consequently, managerial, institutional, and independent ownership structures can improve the company's financial performance due to the increasing effectiveness in monitoring management in carrying out its duties. Furthermore, these results also prove that the proportion of independent commissioners has a significant effect on better corporate governance tends to and generates profits. Thus, the company's accounting procedures that have been referred to international audit and accounting standards are assessed to help users of financial statements in observing healthier financial performance comparisons and resulting in more effective evaluations.

Furthermore, the proportion of independent ownership also has a positive impact. The greater the number of independent board of commissioners in the company, the more effective it will be to monitor the managers and ultimately the company's financial performance will increase. On the one hand, a large number of commissioners can result in poor performance, but the manufacturing companies in this study prove otherwise. The number of commissary board members becomes an advantage in carrying out their respective roles, including communication and coordination between members of the board of commissioners who are more alive and democratic.

4. The intellectual capital component has a positive and significant effect on the company's value

The test results showed that the intellectual capital component had a positive effect on the company's value (KMI → NP) with a line coefficient of 0.209. This result is significant indicated by a statistical t-value (2,635) greater than the t-table value (1.96) and p value (0.009) less than 0.05. This indicates that directly the intellectual capital component has a significant influence on the value of the company. This research is in line with some previous research results (Riza, 2013; Awaluddin, 2014; Utami, 2018).

The test results successfully proved that intellectual capital has a direct effect on the company's value. This means that the market has given higher valuations to companies (samples) that have higher intellectual capital, by looking at who is managing and how the company is managing. The findings of this study indicate that market appreciation in a company is not only based on physical resources owned but also intellectual capital owned by the company, investors also focus on intellectual resources owned by the company (Sunarsih and Mendra, 2012). In this research, manufacturing companies are considered to have paid more attention to the intellectual capital of the company so that the resources owned can be utilized fully to improve the company's financial performance.

Effective management and use of intellectual capital by the company will increase market appreciation to the company's market value so that it is proven to be able to increase the value of the company in this study measured by the price to book value (PBV) ratio. If the company has competent, creative, and efficient employees, it will not waste time or incur unnecessary costs. If the company has sufficient financial funds, investors expect that later the financial funds can be used for investments, buying shares of other companies, and distributing dividends to investors.

The greater VAIC, the more efficient the use of corporate capital so as to create value added for the company. So in appreciating the market value of investors have considered the influence of intellectual capital owned by the company. So in assessing the company investors not only look at the company's share price but also see the intellectual capital owned by the company. This shows the importance of intellectual capital for companies so that investors are interested in investing. So, if the intellectual capital of the company is high, then the value of the company is also high, so it can attract investors to invest because investors give high value to the company.

Furthermore, referring to The Resources Based Theory (RBT), a company is perceived as a collection of assets as well as tangible and intangible capabilities (Firer and Williams, 2003). In this theory there is an assumption that the company can create the value of the company by managing and using the maximum capital assets or physical resources in accordance with the ability owned by the company. When capital assets are able to be managed effectively and efficiently, it will encourage the improvement of the company's performance. The company's good performance will be responded positively by stakeholders, one of which is investors.

Another component of the company's capital is quality human resources (HCE). The company must also be able to manage human resources to the maximum so as to create value added and competitive advantage of the company that can ultimately increase value for the company. HCE shows how much value added can be generated with funds spent on labor. The results of this study can prove that from every fund spent on human capital can be managed efficiently and can generate added value for the company to increase the value of the company. Companies with high HCE values can contribute to an increase in the company's value.

In RBT theory, companies that are able to meet the needs of routine processes and structures that support employees' efforts to produce optimal business performance and intellectual performance will create value added for the company. On the other hand, the capital facilities and infrastructure owned by the company (SCE), such as databases, software, and organizational structure is expected to support the performance of all employees to be more optimal and able to provide added value for the company in the eyes of investors. The results prove that the company in this research is able to create value added for the value of the company. It can also be indicated that the company's SCE is able to meet the needs of routine processes and structures that support employees' efforts to produce optimal business performance and intellectual performance will create value added for the company.

Therefore, when intellectual capital is managed to the maximum can lead the company to a good performance indicated by the company, which will later attract many investors to invest in the company, so that the company's market value will also increase. The Company has also paid attention to intellectual capital that will eventually bring future profits to the company, where the knowledge will become intellectual capital when created, maintained and transformed and managed properly.

5. Disclosure of intellectual capital has a positive and significant effect on the company's value

The test results showed that intellectual capital disclosure had a positive effect on the company's value (PMI → NP) with a track coefficient of 0.188. This result is significant indicated by a statistical t-value (2,031) greater than the t-table value (1.96) and p value (0.044) less than 0.05. This indicates that direct disclosure of intellectual capital has a significant influence on the value of the company. These results are consistent with several previous studies (Liana, 2009; Riza, 2013; Awaluddin, 2014).

The results of the study successfully proved empirically that there is a significant influence between the disclosure of intellectual capital and the value of the company or market capitalization. Higher disclosure of intellectual capital will provide credible or trustworthy information, and will reduce investors' errors in evaluating the company's share price, while increasing market capitalization. That is, companies that disclose more intellectual capital components in their annual reports tend to have higher market capitalization value. Thus, manufacturing companies in this research assess the disclosure of intellectual capital is not only limited to voluntary activities, but rather a corporate obligation and responsibility to stakeholders in Indonesia.

The results of this study also indicate that signals conveyed by companies through disclosure of intellectual capital can reduce information asymmetry. The more items in the intellectual capital disclosure index disclosed in the company's prospectus (Resources, Customer, Information, Technology, Processes, Research and Development), the easier it will be for potential investors to know the company's overall prospects and performance, so that potential investors will give higher valuations to companies that multiply intellectual capital disclosure. In this case, prospective investors believe that only high quality companies are willing to expand intellectual capital disclosure. Signal theory states that high quality companies will give adequate signals to the market, so that the market can distinguish between good quality and bad companies. In order for the signal to be effective, the signal must be captured by potential investors and perceived as good and not easily imitated by a good quality company.

In addition, it should be noted that in terms of intellectual capital owned by the company, investors are more likely to use qualitative information (intellectual capital disclosure) than quantitative (intellectual capital performance) in the investment decision making process.

6. Corporate governance mechanisms have a positive but insignificant effect on the company's value

The test results showed that the corporate governance mechanism had a positive effect on the company's value (MTKP → NP) with a line coefficient of 0.143. However, this result has no significant effect because the t-statistical value (1,815) is less than the t-table value (1.96) and p value (0.071) is greater than 0.05. This indicates that directly the corporate governance mechanism has no significant effect on the company's value. These results contradict previous research conducted by Frysa (2011) and Nur (2013).

In general, the purpose of good corporate governance is to maximize the value of the company by improving GCG principles so that the company can compete both nationally and internationally. However, the results showed that corporate governance as measured by managerial, institutional, and independent ownership had no significant effect. This result is possible because samapel manufacturing companies have not been maximal in applying the number and ownership structure that has been in accordance with company regulations. As a result, this was poorly responded by the market and showed that the company has not optimized the role of good supervision and management performance in managing their manufacturing companies. This result also confirms that the company has not obtained maximum added value.

Furthermore, the factor that makes the results insignificant is because the company has not proportionately regulated the managerial ownership structure. This is fatal, considering that to meet the interests of shareholders, the structure and processes of the company are a major concern in corporate governance and ensure the fairness, responsibility, and conduct of the company is transparent and accountable. This result is proof that both public and non-public can be considered as good corporate governance (GCG) as an effort to improve the company's performance and value. To overcome this, manufacturing companies are required to regulate the amount of managerial ownership in their companies.

In addition, literature on institutional ownership states that institutional ownership encourages management supervision to protect its investments. Unfortunately, in this research, manufacturing companies have not paid special attention to institutional ownership, whereas the company's high value will be followed by higher shareholder wealth. It should be noted that due to high economic risks, investors want to provide supervision to management, and want to ensure that management does not conduct activities that harm shareholder value. Institutional ownership will minimize the management of opportunistic space and also reduce conflicts between management and shareholders.

7. Financial performance has a positive and significant effect on the company's value

The test results showed that financial performance had a positive effect on the company's value (KK → NP) with a line coefficient of 0.429. This result is significant indicated by a statistical t-value (5,498) greater than the t-table value (1.96) and p value (0.000) less than 0.05. This indicates that financial performance has a positive and significant influence on the company's value. These results are relevant to previous research referenced in this study.

The value of the company is reflected in the company's share price, and this is inseparable from the influence of the company's financial performance. The company's financial performance factors (RETURN on assets (ROA), return in equity (ROE), and revenue growth (RG) are considered capable of creating added value. These results corroborate the theory underlying the research, namely the higher the financial performance, the higher the company's value. Increasing profit is one of the important factors for the creation of sustainable competitive advantages of the company and will ultimately have an impact on the increase in the share price. The increase in the share price is a form of investor appreciation of the company's performance as well as confidence in future performance improvement which certainly provides added value for the company. For investors, manufacturing companies in this sample have added value that can strengthen their investment decision making.

In general, investors conduct an overview of a company by looking at the financial ratio as an investment evaluation tool, because the financial ratio reflects the high low value of the company. If investors want to see how much the company generates a return on the investment they will invest, what will be seen first is the profitability ratio, especially ROE and EPS, because this ratio measures how effectively the company generates returns from the stock spread for investors. Profitability ratio affects the value of the company as reflected in its share price, where the variables used for its financial performance are ROA, ROE, and RG. This is because high profits will also provide a good company prospect so that it can respond to investors to increase demand for stocks. Increased demand for stocks will cause the value of the company to increase.

The company's financial performance in this study was measured by Earning per share. EPS (Earning Per Share) or earnings per share indicates the level of profit earned for each common share. EPS can be obtained by dividing the company's net profit by the number of shares outstanding. The company's ability to generate earnings per share is an indicator of the company's financial fundamentals that are often used as a reference to make investment decisions in stocks. If the EPS increases, the company's profit will increase and the impact on the profit that investors will get will be greater. With the increasing level of profit, investors will be interested in buying shares of the company. However, conversely, if EPS decreases, the profit that will be obtained by investors will be smaller and impact the demand for company shares to fall so that it will lower the value of the company.

In investing in the Stock Exchange, investors will show various aspects, one of which is earnings per share (EPS). EPS is one of the indicators that can show the performance of the company, because the size of the EPS will be determined by the company's profit. If the ratio obtained is high means the company can be said to be well established (mature). The greater the EPS, the greater the profit obtained by the company so that the value of the company can increase and prospective investors are interested in investing in the company.

With regard to ROA, the results showed that the positive ROA value indicated that of the total assets used to operate, the company was able to earn profit. For investors, the assessment of the company's ability to make a profit is very important. The bigger the company makes a profit, the better the financial performance, so the value of the company will rise.

8. The intellectual capital component has a positive and significant effect on the company's value through financial performance

The test results showed that the influence of intellectual capital components on the company's value through financial performance (KMI → KK → NP) had a positive path coefficient of 0.186. This result is significant indicated by a t-statistical value (2,325) greater than the t-table value (1.96) and p value (0.021) less than 0.05. This indicates that financial performance can mediate influence between the intellectual capital component and the company's value in a positive and significant way. These results support some previous research conducted by Riza (2013), Awaluddin (2014), and Utami (2018).

The results showed that financial performance as an intervening variable is able to mediate the relationship between intellectual capital and the value of the company although it is not stronger than the direct influence of intellectual capital to the value of the company. The indirect influence of intellectual capital on the company's value indicates that financial performance is a variable that mediates the relationship of intellectual capital and the value of the company. The results of this study successfully proved the researchers' allegations about the influence of financial performance that mediates the relationship of intellectual capital and the value of the company. Although the value is smaller than the coefficient of a direct relationship so that the actual relationship is a direct relationship. The results also imply that manufacturing companies in this research are considered capable of managing intellectual capital is believed to be able to create value added and able to create competitive advantages by conducting innovations, research and development that will boil down to improving the company's financial performance. Furthermore, the improvement in financial performance will attract investors so as to increase the value of the company because investors become interested in investing in the company

In relation to stakeholder theory, it is explained that all the company's activities boil down to the creation of value, ownership and utilization of intellectual resources allowing the company to achieve competitive advantages and increase added value (Sunarsih and Mendra, 2012). Investors will give more appreciation to companies that are able to create added value on an ongoing basis. By using intellectual capital owned, companies can use it to manage their assets to be more efficient. The more efficient the company in managing its assets, the profitability will increase, so that the company's financial performance will also increase. So if the financial performance improves which is characterized by an increase in profitability, this will attract investors so as to increase the value of the company because investors become interested in investing in the company.

9. Its disclosure of intellectual capital has a positive and significant impact on the company's value through financial performance

The test results showed that the effect of intellectual capital disclosure on the company's value through financial performance (PMI → KK → NP) had a positive path coefficient of 0.212. This result is significant indicated by a statistical t-value (3,118) greater than the t-table value (1.96) and p value (0.002) less than 0.05. This indicates that financial performance can mediate the influence between the disclosure of intellectual capital and the company's value in a positive and significant way. These results confirm the previous research referenced in this study.

Disclosure of intellectual capital has an indirect positive effect on the value of the company with the company's performance as an intervening variable. Financial performance as an intervening variable is able to mediate the relationship between intellectual capital disclosure and corporate value. With the increasing financial performance, the market will respond positively so that the value of the company will increase. The influence of intellectual capital on the value of companies with financial performance as a liaison shows the results that intellectual capital has an influence on the value of the company mediated by the financial performance of return on equity (ROE) and earning per share (EPS). This indicates that, the market will give more value to companies that have good financial performance and who report voluntarily about their intellectual capital. With the intellectual capital statements in the company's annual report will support investors in the decision to invest, so that investors will believe in the company's prospects in the future.

Referring to legitimacy theory, companies are encouraged to make voluntary disclosures as a form of accountability for social contracts held between the company and the surrounding community. Companies tend to disclose information through disclosure when there is a special need to increase its legitimacy. This need arises when the physical capital owned by the company, which is usually a symbol of success in the traditional economy. The company's strong legitimacy status also means public confidence that the company operates in accordance with what is expected by stakeholders, namely operations that improve the company's performance.

In general, manufacturing companies began to view disclosure of intellectual capital as essential, and tended to describe the intellectual property aspects of the company. Although disclosure of intellectual capital is still voluntary, it does not cloud the company's intention to continue reporting so that the company's value can be created through positive financial performance.

10. Corporate governance mechanisms have a positive and significant effect on the company's value through financial performance

The test results showed that the influence of corporate governance mechanisms on the company's value through financial performance (MTKP → KK → NP) had a positive path coefficient of 0.164. This result is significant indicated by the t-statistical value (2,130) greater than the t-table value (1.96) and p value (0.035) less than 0.05. This indicates that financial performance can mediate the influence between the corporate governance mechanism and the company's value in a positive and significant manner.

The role of financial performance variables as intervening variables proved to significantly influence the relationship between corporate governance and corporate value. The proportional number of managerial and institutional ownership is considered capable of aligning the interests of management and shareholders, so that the company's objectives in achieving high corporate value can be achieved. In agency theory, information asymmetry can occur between managers and company owners. This is because managers who interact directly with the company's activities so that it has complete information about the company it manages, while the owner of the company does not interact directly with the company's activities but only relies on reports provided by the manager. Therefore, company owners have less information than managers.

Increasing the value of the company requires the role of the board of commissioners, the structure of corporate governance - to be very important and strategic in realizing and maintaining the company's control system, so as to produce good performance. The company's good performance will be responded positively by the market, and that is reflected in the company's value. financial performance in this study in the proxy using ROE is one of the important information in assessing the company's condition both short and long term. This information is closely related to the company's growth potential and will ultimately affect the level of investor confidence in stock demand.

Corporate governance and financial performance are signals for investors in decision making. Good corporate governance in managing and managing good organizational resources can increase the company's short-term profit in generating profit for the company. So that the company's financial performance will improve in line with the improvement of good corporate governance. The increasing financial position of the company, the better the value of the company in the eyes of investors. Therefore, the company's financial performance is able to mediate the relationship between corporate governance and corporate value.

VI. Conculusions And Sugestions

In accordance with the empirical results found in this research, it is important for each company to manage a managerial system that is good for both physical and non-physical aspects (knowledge) so as to provide value for the company. This can be done among others by conducting employee training, technological and information advances and the creation of organizational procedures. In addition to raising awareness of the technical ability to assess intellectual capital in financial statements, the company can send its employees to attend seminars or trainings on intellectual capital that are still being developed. As well as its implications for investors, it is recommended to pay attention to intellectual capital and financial performance of companies that can increase the value of the company before deciding to make an investment. In addition, the company should continue to increase its attention to intangible assets, because it will be an important key factor for the company in the future to have a competitive advantage over other companies, it will be an advantage for the company that will become capital in order to win competition between companies and increase the value of the company.

Reference

[1]. E. Laksana, and S. Sudarno. 2014. Intellectual Capital Relationship, Financial Performance and Company Value at the time of IPO. Diponegoro Journal of Accounting, vol. 3, no. 2, pp. 1-9, Mar. 2014.

[2]. Abbasali Daryaee, Abdolah Pakdel, Kamal Easapour, & Malek Mohamadi Khalaflu. 2011. Intellectual Capital, Corporate Value and Corporate Governance (Evidence from Tehran Stock Exchange). Australian Journal of Basic and Applied Sciences, 5(12), 821-826.

[3]. Abdullah, D.F. and Sofian. S. 2012. The Relationship between Intellectual Capital and Corporate Performance. International Conference on Asia Pacific Business Innovation & Technology Management, 40, 537 – 541.

[4]. Abdol Mohammadi, M. J. 2005. Intellectual Capital Disclosure and Market Capitalization. Journal of Intellectual Capital.

[5]. Adebayo O. S. Olusola Ayeni Gabriel, Abiodun Oyewole Felicia. 2013. Relationship Between Corporate Governance and OrganizationalPerformance: Nigerian Listed Organizational Experience. International Journal of Business and Management Invention.

[6]. Agustina, Wulan. 2007. Analysis of the Influence of Intellectual Capital on the Performance of Public Accounting Firms in Surabaya. Surabaya: FEB Airlangga University.

[7]. Augustine Soetrisno & Lina. 2014. The Influence of Intellectual Capital Components Towards the Company Performance. Journal of Management. Vol.14, No.1. Intellectual capital consists of human capital, structural capital, and relational capital.

[8]. Alavi, T.S.H., Abbas, T.Z. 2013, The impact of corporate governance on disclosure of intellectual capital. Accounting and Auditing Research Journal, 17, 1-10.

[9]. Amber, Widyaningrum. 2004. Intellectual Capital. Indonesian Journal of Accounting and Finance. Vol 1. Accounting Department of the Faculty of Economics Universutas Indonesia.

[10]. Amma Fatikha Riza. 2013. Influence of Intellectual Capital and Intellectual Capital Disclosure on Company Value. Scientific Article, State University of Semarang.

[11]. Andreeva, T., & Garanina, T. 2017. Intellectual Capital and Its Impact on the Financial Performance of Russian Manufacturing Companies. Foresight and Sti Governance., 11(1), 31-40.
[12]. Anggraini, Devi., Kennedy, Silalahi, Shem Paul. 2013. Cg's Influence on The Extent of CSR Disclosure in the Sustainability Report.
[13]. Anggaraini, Fivi., Hamid, Mohamad Ali Abdul., & Azlina, Md Kassim. 2018. The Role of Intellectual Capital on Public Universities Performance in Indonesia. Journal of Soc, Sci & Hum. 26(4).
[14]. Appuhami, B.A. Ranjith. 2007. The Impact of Intellectual Capital on Investors Capital Gains on Share: An Empirical Investigation of Thai Banking, Finance & Insurance Sector. International Managemnet Review. Vol.3 No.2
[15]. Arfan, Ikhsan. 2008. Human Resources Accounting. Yogyakarta. Graha Ilmu.
[16]. Awaluddin, Ratna Ayu Damayanti, M. Natsir Kadir. 2014. Effect of Intellectual Capital Value and Disclosure on The Value of State-Owned Enterprises Listed on the Indonesia Stock Exchange.
[17]. Barney, J.B., 1991. Firm Resources and Sustained Competitive Advantage. Journal of Management, Vol. 17, pp.99-120.
[18]. Beiner, Stefan, Drobetz, Wolfgang, Schmid, Frank, and Zimmermann, Heinz. 2003. Is Board Size an Independent Corporate Governance Mechanism?. National Center of Competence in Research Financial Valuation and Risk Management. Working Paper no. 89
[19]. Berzkalne, I., and Zelgalve, E. (2014). Intellectual capital and Company Value. Contemporary Issues in Business. Management and Education, 110, 887-896.
[20]. Belkaoui, A. R. 2003. Intellectual Capital and Firm Performance of USMultinational Firms: a Study of The Resource-Based and Stakeholder Views. Journal of Intellectual Capital. Vol.4, No. 2: 215: 226.
[21]. Bino Sulaksono. 2012. The Influence of Intellectual Capital Components on the Performance of Manufacturing Companies on the Indonesia Stock Exchange. Journal of Business and Accounting. Vol.14. No.2a. Hal, I'm sorry. 19-38.
[22]. Bontis, N. (1998). Intellectual Capital: An Exploratory study that Develops Measures and Models. Management Decision, 36(2), 63-76. http://dx.doi.org/10.1108/00251749810204142's http://dx.doi.org/10.1108/00251749810204142
[23]. Bontis, N., W.C.C. Keow and S. Richardson. 2000. Intellectual capital and business performance in Malaysian industries. Journal of Intellectual Capital. Vol. 1, No. 1, pp. 85-100.
[24]. Brigham, Eugene F. 2006. Fundamentals of Financial Management Seventh Edition. Orlando: Harbours Inc.
[25]. Brinker, Barry. 2000. Intellectual Capital: Tomorrows Asset, Today's Challenge.
[26]. Budiandriani and Mahfudnurnajamuddin. 2014. The Influence of Intellectual Capital Components to Financial Performance and Value of the Firm Registered in Indonesia Stock Exchange. Vol.6, No.1.
[27]. Canibano, L., Garcia-Ayuso, C.M. and Sanches, P. 2000. Accounting for Intangibles: a literature review. Journal of Accounting Literature. Vol. 19, pp. 102-130.
[28]. Chen, Ming-Chin, Shu-Ju Cheng, and Yuhchang Hwang. 2005. An Empirical Investigation of the Relationship Between Intellectual Capital and Firm's Market Value and Financial Performance. Journal of Intellectual Capital Vol. 6 No. 2, p. 159-176.
[29]. Che Haat, Moh Hasan, et.al, 2008, Corporate Governance, Transparency and Performance of Malaysian Companies, Malaysian of Auditing Journal, Vol. 23No. 8
[30]. Chusnah, Flourien Nurul, Lies Zulfiati and Diana Supriati. 2014.Intellectual Capital's Influence on the Company's Performance with Strategy as Moderater. National Symposium on Accounting XVII.Lombok.
[31]. Choudhury, J. 2010. Performance Impact of Intellectual Capital: A study of Indian IT Sector. International Journal of Business and Management, 5(9), pp 72-80.
[32]. Cleary, Peter, & Quinn, Martin. 2016. Intellectual capital and business performance: An exploratory study of the impact of cloud-based accounting and finance infrastructure. Journal of Intelectual Capital, Vol.17:2.
[33]. Cornett, M., M.J. Marcuss., Saunders, and Tehranian H, 2006. Earnings Management Corporate Governance, and True Financial Performance
[34]. Cuozzo, Benedetta., Dumay, John C., Palmaccio, Matteo., & Lombardi, Rosa. 2016. Intelectual Capital Disclousure: A Structured Literature View. Journal of Intellectual Capital. 18(1):9-28.
[35]. Daniri, Mas Achmad. 2005. Good Corporate Governance: Concepts and Applications in the Indonesian Context. Publisher Gloria Printing Jakarta.
[36]. Darmadji, T. and Hendy M. Fakhruddin. 2006. Capital Market in Indonesia, Publisher Salemba Empat, Jakarta.
[37]. Darmawati, et al. 2005. Corporate Governance and Corporate Performance Relationships. Indonesian Journal of Accounting Research. Vol. 8, No. 1; 65-81.
[38]. Darmawati, Deni. 2006. Influence of Company Characteristics and Regulatory Factors on The Quality of Good Corporate Governance Implementation. National Symposium on Accounting IX.23-26 August 2006. Padang.
[39]. Dewi, I. R., Handayani, S. R., & Nuzula, N. F. 2014. The influence of the capital structure on the value of the company. Journal of Business Administration, 17(1), 1-9.
[40]. Effendi, Muh Arief. 2009. The Power of Good Corporate Governance; Theory and Implementation. Publisher Salemba Empat Jakarta
[41]. Eristy Minda Utami. 2018. The Intellectual Capital Components on Firm Value: Evidence from LQ-45 Index Companies. Journal of Finance and Banking. Vol.22.Hal. 291-300.
[42]. Fahmi, Irham. 2011. Financial Performance Analysis. Bandung, Alfabeta
[43]. Farah Margaretha, & Arief Rakhman. 2006. Analysis of The Influence of Intelectual Capital on Market Value and Corporate Financial Performance With Value Added Method Intelectual Coefficient. Junal Business and Accounting, 8(2), 199-217.
[44]. Fifi Nofiani, & Poppy Nurmayanti. 2010. Effect of Corporate Governance Implementation on The Company's Financial Performance. Faculty of Economics Riau University Pekbis Jurnal, Vol, No.1, March 2010, 208-217.
[45]. Firer, S., & Williams, S.M. 2003. Intellectual capital and traditional measures of corporate performance. Journal of Intellectual Capital, 4(3), 348- 360. http://dx.doi.org/10.1108/14691930310487806
[46]. Forum for Corporate Governance in Indonesia. 2001. Corporate Governance. Corporate Governance Series. Volume I. 3rd Edition Jakarta.
[47]. Freeman, R.E. 1984. Strategic Management: A Stakeholders Approach, Fitman, Boston,
[48]. Frykman, D., & Tolleryd, J. 2010. Corporate Valuation (2nd ed.). London: Prentice Hall.
[49]. Gitman, Lawrence J. 2012. Principles of Managerial Finance, thirteenth edition.
[50]. Ghozali and Chariri. 2007. Accounting Theory. Semarang: Undip Publishing Board.
[51]. Gusaptono, R.H. 2010. Factors That Drive The Creation of Corporate Value in IDX. Economic Bulletin, Vol. 8, No.2.
[52]. Haniffa, R.M., and T. E. Cooke. 2002. Culture Corporate Governance and Disclosure in Malaysian Corporations. ABACUS, Vol. 38 No. 3, pp. 317349.
[53]. Harmono, what's going on? 2009. Balanced Scorecard Based Financial Management (Approach to Theory, Case, and Business Research). Jakarta: Bumi Aksara.

[54]. Hermuningsih, S. 2012. The effect of profitability and size on the value of the company with the capital structure as an intervening variable. Journal of Business Strategy, 16(2), 232-242.
[55]. Indonesian Institute for Corporate Governance (IICG). 2010. Good Corporate Governance as a Culture. Jakarta.
[56]. Jacub, J. O. S. 2012. The Influence of Intellectual Capital and Its Disclosure on Company Value (Empirical Study on Pharmaceutical Companies in IDX). Scientific Journal of Accounting Students, 1(4), 96-100
[57]. Jensen, M., C., and W. Meckling. 1976. Theory of the firm: Managerial behavior, agency cost and ownership structure. Journal of Finance Economic 3:305-360.
[58]. Jogiyanto. 2000. Portfolio Theory and Investment Analysis. Yogyakarta: BPFE.
[59]. Johan Wilmar Sutopo. 2018. Analysis of the influence of capital components on corporate financial planning in Indonesia (case study on companies included in the Indonesia Stock Exchange LQ45 Index). University of Wijaya Kusuma Surabaya.
[60]. It's jumingan. 2009. Financial Report Analysis. Jakarta: Bumi Aksara.
[61]. Kaplan, Robert S. and David P. Norton. 2001. Transforming the Balanced Scorecard From Performance Measurement to Strategic Managemet: Part 1. Accounting Horizons.
[62]. Karnadi, W. A. 2017. The Influence of Financial and Non-Financial Factors on the Value of Companies Listed in the IDX in 2014. Widya Mandala Cayholic University Surabaya.
[63]. Cashmere. 2010. Introduction to Financial Management. Jakarta: Kencana.
[64]. Klein, A. 2006. Audit Comitte, Board of Directors Charateristic and Earning Management. Journal of Accounting and Economics. Vol 32 : 375 – 400.
[65]. Leila Asadi. 2012. Investigating the Effect of Intellectual Capital on the Value Creation of Companies Listed in Tehran Stock Exchange. Science Road Publishing Corporation, Trends in Social Science, 2(1), 2-12.
[66]. Libo, F., Xin, Y., Su, W. 2009. Research on The Relationship Between Intellectual Capital and Company Performance - An Empirical Analysis Based on Data Panel M&D Forum, pp. 510-526.
[67]. Libyanita, M., & Wahidahwati. 2016. Intellectual Capital's Influence on Financial Performance With Competitive Advantage As Intervening Variables. Journal of Accounting Science and Research, 5(6), 1–19.
[68]. Li, Y.& Zhao, Z. 2018. The dynamic impact of intellectual capital on firm value: Evidence from China. Applied Economic Letters, 25(1), 19-23 https://doi.org/ 10.1080/13504851.2017. 1290769
[69]. Machmud, Amir. 2010. Sharia Banks: Theory, Policy and Empirical Studies in Indonesia. Erlangga Publisher
[70]. Maditinos, D., Chatzoudes, D., Tsairidis, C., & Theriou, G. 2012. The impact of intellec-tual capital on firms' market value and financial perfor-mance. Journal of Intellectual Capital, 12(1), 132-151.
[71]. Margaretha, Farah and Irma Damayanti. 2008, 'Influence of price earnings ratio, dividend yield and market to book ratio on stock return on Indonesia Stock Exchange', Journal of Business and Accounting (December), Page 149-160.
[72]. Ming Chin Chen, Shu Ju Cheng, & Yuhchang Hwang. 2005. An Empirical Investigation of the Relationhip Between Intellectual Capital and\
[73]. FirmsMarketValueandFinancialPerformance.Journalof Intellectual Capital, 6(2), 159-176.
[74]. Muhammad, N.M. N., Ismail, M. K. A. 2009. Intellectual Capital Efficiency and Firm's Performance: Study on Malaysian Financial Sectors. Journal of Economics and Finance, 1(2), pp. 206-212.
[75]. Mundung, Anie Valora. 2006. Evaluation of the Role of Internal Auditors in the Implementation of Good Corporate Governance. Thesis. Surabaya. UA Postgraduate Program
[76]. Musadieq, M.A., and Iqbal, M. 2016. The Influence of Intellectual Capital and Organizational Value on The Company's Performance (Study on PT Employees. Semen Indonesia Tbk). Journal of Business Administration (JAB), Vol. 33, No. 1 April
[77]. Mu Shun Wang. 2011. Intellectual Capital and Firm Performance.Annual Conference on Innovations in Business & Management. London: UK. 2011, 1-26.
[78]. Nasaruddin, M.Irsan and Indra Surya. 2004. Legal Aspects of Indonesia Capital Market, Jakarta: Prenada Media.
[79]. Nawangsari, D. 2016. Intellectual Capital's Influence on Financial Performance with Strategies as Moderating.
[80]. Nelson, R. R., and Winter, S.G., 1982. An Evolutionary Theory of Economic Change, Cambridge, M.A., Harvard University Press.
[81]. Ni Putu Yeni Astiti. 2016. Effect of Financial Performance on Stock Price of L45Q Company on Indonesia Stock Exchange. sample of 19 companies indexed L45Q in IDX. Journal of Business and Accounting. Vol.16. No.9. Hal, I'm sorry. 18-30
[82]. Nopiyanti, I. D. A., & Darmayanti, N. A. 2016. The influence of PER, company size, and profitability on the value of the company with the capital structure as a moderation variable. Unud Management Journal, 5(12), 7868-7898.
[83]. Nurani, N.C., Zulbahridar, & Azhari. 2014. The influence of intellectual capital on the market value of automotive companies listed in the IDX 2007-2011. JOM FEKON, 1(2), 1-15.
[84]. Olayinka Marte Uadiale, & Uwalomwa Uwugbe. 2011. Intellectual Capital and Business Performance: Evidence from Nigeria. Interdisciplinary Journal of Research in Business, 1(10), 49-56.
[85]. Omid Amri, & Mohamadreza Abdoli. 2012. The Relationship Between Intellectual Capital and Performance of Companies (A Case Study of Cement Companies Listed in Tehran Stock Exchange). World Applied Sciences Journal, 20(4), 520-526.
[86]. Ornek, A. S., & Ayas, S. 2015. The Relationship Between Intellectual Capital, Innovative Work Behavior and Business Performance Reflection. Procedia - Social and Behavioral Sciences 195, 1387- 1395.
[87]. Pambudi, N.M., and Andayani. 2017. Influence of Intellectual Capital and Intellectual Capital Disclosure Index on Company Value. Journal of Accounting Science and Research, 6(5): 2017.
[88]. Penrose, E.T. 1959. The Theory of the Growth of the Firm. Great Britain: Basil Blackwell & Mott Ltd.
[89]. Pratama, I. G.B. A., & Wiksuana, I. G.B. 2016. The effect of company size and leverage on the value of the company with profitability as a moderation variable. E-Jurnal Manajemen Unud, 5(12), 1338-1367.
[90]. Purnomo, A, G. 2014. The influence of Intellectual Capital on Financial Performance and Corporate Value, especially in the Financial Industry and Mining Industry listed on the Indonesia Stock Exchange in 2008-2012. Business Accounting Review, 2(2), 204-213.
[91]. Purnomosidhi, Bambang. 2006. Empirical Analysis of The Ditermination of Intellectual Capital Disclosure Practices in Public Companies in JST. In The Journal of Accounting Research Indonesia 6.2 : 111-146.
[92]. Puspitosari, I. 2016. The Influence of Intellectual Capital on Financial Performance in the Banking Sector. Ebbank, 7(1), 43-53.
[93]. Ranani, H. S., & Binjani, Z. 2014. The Impact of Intellectual Capital on The Financial Performance of Liested Companies In Tehran Stock Exchange. International Journal of Academic Research in Accounting, Finance and Management Sciences, 4(1), 130-146.
[94]. Rauch. & Behling. 1984. Leadership is the Process of Influencing the Activities of An Organized Group Toward.
[95]. Reza Gharoie Ahangar. 2011. The Relationship Between Intellectual Capital and Financial Performance: An Emperical Investigation in an Iranian Company.African Journal. 6(4), 159-180.

[96]. Ridwan Mochamad, & Gunardi Ardi. 2013. The Role of Corporate Governance Mechanism as a Moderating of Earning Management Practices to The Company's Value. Trinomika Journal, Vol.12, No.1, 49-60.
[97]. Rivai, Veithzal and Andi Buchari. 2009. Islamic Economics Sharia Economy Is Not an Option, But a Solution, Jakarta: Bumi Aksara.
[98]. Ross, A Stephan. 1973. The Economic Theory Of Agency: The Principal's Problem, American Economic Association, Vol. 63, No.. 2.
[99]. Ross, S.A., Westerfield, R.W., & Jordan, B.D. 2008. Corporate Finance Fundamentals. New York: McGraw-Hill Companies, Inc.
[100]. Saleh NB, Pfefferle LD, Elimelech M. 2008. Aggregation kinetics of multiwalled carbon nanotubes in aquatic systems: measurements and environmental implications. Environ Sci Technol 42(21):7963– 7969.
[101]. Safieddine, A., Jamali, D., Noureddine, S. 2009, Corporate governance and intellectual capital: Evidence from an academic institution. International Journal of Business in Society, 9(2), 146-157.
[102]. Sartono,Agus.2010.Financial ManagementTheories and Applications. Yogyakarta: BPFE
[103]. Sawarjuwono, T., and A. P. Kadir. 2003. Intellectual Capital: Treatment, Measurement and Reporting (A Research Library). Journal of Accounting & Finance, 5(1): 35-57.
[104]. Sawarjuwono, Tjiptohadi and Agustine Concerned Kadir, 2003. Intellectual Capital: Treatment, Measurement and Reporting (a Research Library). Journal of Accounting and Finance, May 2003, Vol. 5, No. 1.
[105]. Scott, William R. 2000. Financial Accounting Theory. Second Edition. Canada: Prentice Hall.
[106]. Scott, William R. 1997. Financial Accounting Theory. International Edition New Jersey: Prentice-Hall, Inc.
[107]. Setya Rini santoso. 2012. Effect of Intellectual Capital And Its Disclosure on Company Performance. Journal of Accounting And Finance. Vol.14.No.1. Hal. 16-31.
[108]. Sianipar, M. 2009. The Impact of Intellectual Capital Towards Financial Profitability and Investors Capital Gain on Share: An Empirical Investigation of Indonesian Banking and Insurance Sector for Year 2005-2007. Paper Presented in National Symposium on Accounting XII.Palembang: 4-6 November.
[109]. Simamarta, R., & Subowo. 2016. The influence of intellectual capital on the financial performance and value of Indonesian bank companies. Accounting Analysis Journal, 5(1), 1-9.
[110]. Sholikhah, B. et.al. 2010. Intellectual Capital Implications for Financial Performance, Growth, and Market Value: Empirical Studies With Simplistic Specification Approach. National Symposium on Accounting. Purwokerto: October 13-14.
[111]. Stephani, T. and Yuyetta, E.N.A. 2011. Analsis Factors that influence Intellectual Capital. Journal of Accounting & Auditing. Vol. 7 (2): 111-121.
[112]. Stewart, Allen Mikcchell. 1994. Empowering People. London. Pustman Publishing.
[113]. Sudana, I Made. 2011. Corporate Financial Management Theory and Practice. Jakarta: Erlangga.
[114]. Suhardjanto, & Wardhani. 2010. Intellectual Capital Disclosure practices of companies listed on the Indone-sia Stock Exchange. Indonesian Journal of Accounting and Auditing, 14(1), 59-66. Surakarta; University of Sebelas Maret
[115]. Sunarsih, N.M and N. P. Y. Mendra. 2012. The Influence of Intellectual Capital on The Value of Companies With Financial Performance As Intervening Variables in Companies Listed on the Indonesia Stock Exchange. Paper presented at the National Symposium on Accounting XV. Banjarmasin.
[116]. Supriyono, R. A. 2018. Accounting Behavior. Gajah Mada University Press. Page.6
[117]. Adrian Sutedi. 2011. Good Corporate Governance.Jakarta: Sinar Grafika. Suwarjuwono, Tjiptohadi and Agustine Concerned Kadir. 2003. Intellectua
[118]. Capital: Treatment, Measurement and Reporting (A Research Library). Journal of Accounting and Finance. Vol. 5, No. 1, 31-51.
[119]. Tara, L. 2015. The Influence of Intellectual Capital in Financial Performance and Corporate Value (Empirical Study on Consumption Sector Industrial Companies That Went Public on the Indonesia Stock Exchange in 2008-2012). Business Accounting Review, 3(1), 33-34.
[120]. Teece, D. J. 1997. Capturing Value from Knowledge Assets: The New Economy, Markets for Know-How, and Intengibles Assets. California Management Review, 40:55-79.
[121]. Tjokroamidjojo, Bintoro. 2000. Good Governance, The New Paradigm of Development Management. Jakarta: UI Press.
[122]. Ujiyantho and scouts. 2007. Mechanism of Corporate Governance, Profit Management and Financial Performance (Study on Companies going public Manufacturing Sector), Journal of National Symposium on Accounting X. Makassar.
[123]. Ulum, I. 2009. Intellectual Capital:Concepts and Research. Yogyakarta: Graha Ilmu.
[124]. Ulum, Ihyaul. 2011. Analysis of Intellectual Capital Information Disclosure Practices in the Annual Report of Telecommunication Companies in Indonesia. Journal of Accounting and Finance Review. Vol.1 No. 1, Pp. 49-56.
[125]. Ulum I. 2013. Capital Inteltual Performance Measurement Model With IB-VAIC in Sharia Banking. Journal of Social Research. Vol 7 No 1.
[126]. Verawaty, V., Merina, C., & Lastari, S.A. 2017. The influence of Intellectual Capital, Earning Management, Tax Avoidance on the Company's Value with GCG as a Moderater. Jurnal Mbia, 16(12), 79-94.
[127]. Wahyuni, W., Suratno, & Anwar, C. 2017. The influence of intellectual capital on the value of companies with free cash flow as moderate-ing variables (Empirical study on sec-ondary sectors manufacturing companies on the Indonesia Stock Exchange). Journal of Scientific Economics, 6(11), 61-73.
[128]. Waseem, what's going on? M. A. Saleh T.A and Fares J.A. 2011. The Effect of Corporate Governance on the Performance of Jordanian Industrial Companies: An Empirical Study on Amman Stock Exchange. International Journal of Humanities and Social Science. 1 (4), 6
[129]. Weygandt, Jerry J., Paul D. Kimmel and Donald E. Kieso. 2010. Financial accounting. Issue 8. Asia: John Wiley & Sons
[130]. Werastuti, D. N. S. 2014. Mediation model in the relationship between intellectual capital disclosure, corporate value, and financial performance. Journal of Finance and Banking, 18(1), 14-28.
[131]. Widarjo, Wahyu. 2011. Influence of Intellectual Capital and Disclosure of Intellectual Capital on Nila Company. National Symposium on Accounting XIV. Aceh: July 21-22.
[132]. Yuniasih, N. W., Wirama, D. G., & Badera, I. D. N. 2010. Exploration of The Company's Market Performance: Study Based on Intellectual Capital (Empirical Study on Financial Companies Listed on the Indonesia Stock Exchange). National Symposium on Accounting XIII, Purwokerto.
[133]. Yunita, N. 2012. The influence of intellectual capital on financial performance and market value. Ac-counting Analysis Journal, 1(1), 1-7.
[134]. Yusuf, Y., & Sawitri, P. 2009. Intellectual Capital And Market Performance of Companies Listed on the Indonesia Stock Exchange. PROCEEDING RAPIDLY (Psychology, Economics, Literature, Architecture & Civil).