Educational Administration: Theory and Practice
2024,30(4), 4008-4016
ISSN:2148-2403
https://kuey.net/
Research Article

Contribution Of Intellectual Capital In The Relationship Between Good Corporate Governance And Financial Performance

Untung Lasiyono[1*], Siti Istikhoroh[1*], Rudy Sumiharsono[1]

[1]*Faculty of Economics and Business, Universitas PGRI Adi Buana Surabaya*

***Corresponding Author:** Untung Lasiyono
email : untunglasiyono@unipasby.ac.id, Orchid ID: 0009-0004-6672-1924

Citation: Untung Lasiyono et al. (2024), Contribution Of Intellectual Capital In The Relationship Between Good Corporate Governance And Financial Performance, *Educational Administration: Theory And Practice*, *30*(4), 4008-4016, Doi: 10.53555/kuey.v30i4.2154

ARTICLE INFO

ABSTRACT

His research aims to analyze and find empirical evidence on the mediating influence of intellectual capital (IC) on the influence of good corporate governance (GCG) on business performance. This study uses a sample of banking companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021, with a maximum of 105 observation units were selected using the census method. The analysis technique used was path analysis with the Smart PLS 2.0 program. GCG is measured by Bank Indonesia Composite Value Rating, IC is measured by Value Added Intelligence Multiplier (VAIC™) and company performance is measured by Return on Equity (ROA). This study reveals that IC plays a mediating role by indirectly facilitating the influence of GCG on firm performance. These results demonstrate that IC has an indirect influence on business performance through business management and supervision performed by competent human resources in the GCG system so that they can perform their functions their capabilities and roles. The results of this study support the resource-based view and the knowledge-based view, according to which IC is a knowledge-based business resource capable of providing competitive advantage. The results of this study also demonstrate that there is a need for another GCG assessment for the banking industry in addition to the self-assessed composite rating, because this rating cannot be described in detail due to the existence of a wide range of values and therefore There is an element of bias.

Keywords: Good Corporate Governance, intellectual capital, knowledge-based view, Financial Performance

INTRODUCTION

Performance assessment is the result of the company's financial activity assessment process, namely a process of assessing with certain standards the company's ability to carry out its work. Performance assessment can be seen through financial reports which investors use as a tool to determine where they will invest(Hussin & Othman, 2012; Lentjušenkova & Lapina, 2016). Good company performance will increase investors' interest in investing by buying company shares that are currently in circulation. Company performance is also the result of organizational activities or investments during a certain period (Fatoki, 2011). Company performance can be assessed as good if the company's capital is managed effectively, there is a level of profit that can be provided on the investment of shareholders or capital owners, and it is able to generate income. Improved performance is one of the results that will be received from good corporate governance. This situation will make stakeholders and potential investors confident in the company's ability to provide a better level of investment return. Therefore, all company activities need to be driven and managed with a system, known as Good Corporate Governance (GCG). Transparency, accountability, responsibility, and fairness and equality are some of the principles of GCG (Komite Nasional Kebijakan Governance, 2006).
Several studies regarding the influence of GCG on company performance have had mixed results. Research result Mishra & Mohanty (2014), Chauhan et al. (2016), Abdallah & Ismail (2016) It has also been proven that there is a positive influence on the relationship between GCG and company performance. Implementing GCG can reduce conflicts of interest between agents and principals (Jensen & Meckling, 1976). This is because the implementation of GCG makes managerial decision making better so that they are able to obtain the right

decisions, increase efficiency and have a better work culture. The relationship between GCG and company performance has been concluded by several others, such as: Zaidirina & Lindrianasari (2015) and Zabri et al. (2016) which proves that GCG has no effect on company performance.
The diversity of research results regarding the influence of GCG on company performance shows that in this relationship there are still other variables that also influence company performance. Companies need capital and other resources to continue operating. Company resources can be in the form of tangible resources or intangible resources). Tangible resources are tangible or intangible assets that can be presented in financial statements, while intangible resources are resources that cannot be presented in financial statements (Nasih, 2011). Companies cannot survive if they only rely on one type of resource. This research uses Intellectual Capital (IC) as a variable which is believed to be able to mediate the relationship between GCG and performance, which is defined as the unity of tangible assets and several types of intangible assets which are able to improve performance and create value for the company (Kamukama, 2013).
In general, there are three main IC constructs, namely human capital, structural capital, and customer capital(Bontis et al., 2000). Human capital represents the knowledge, experience, skills and individual attitudes possessed by employees (Bontis et al., 2000). Of course, employee expertise in creating innovation cannot be separated from training. Structural capital includes non-human knowledge in an organization which includes databases, strategies, organizational culture, and production processes to support infrastructure and employee performance. Intellectual capital is the knowledge essential in marketing channels and client connection developed by an association through the course of business (Bontis et al., 2000).
The contribution of IC in improving company performance is increasingly being recognized by various parties, both researchers and practitioners (Hashim et al., 2015; Nkundabanyanga, 2016; Nkundabanyanga et al., 2014; Sumedrea, 2013). This will appear more evident in companies that are based on performance on service quality, such as the banking industry. The company's ability to manage its resources by providing the best service can carry out various business strategies and create competitive advantages so that it can create added value for the company (Ghosh & Mondal, 2009; Nkundabanyanga, 2016; Ting & Lean, 2009). This shows that a balance can be achieved between an effective GCG system and the use of IC so that companies can improve their performance. Interaction between GCG and IC in supporting increased company performance, for example, improving the organization's management system, rather than just through monitoring from management which does not involve IC substantively (Nkundabanyanga, 2016). This research aims to analyze and look for empirical evidence regarding the mediating influence of Intellectual capital on the influence of Good Corporate Governance on Company Performance.

Hypothesis Development

The influence of GCG on company performance

In agency theory, Good Corporate Governance is defined as a set of systems, policies or regulations to direct, control and supervise organizational resources so that they are managed effectively. In short, GCG is a system for directing and managing a company, which has a big influence in determining company goals. GCG also has an influence in efforts to achieve optimal business performance and risk control (Abor & Fiador, 2013). There are several assumptions that underlie agency theory, namely the assumption of human nature which has the nature of prioritizing its own interests, limited rationality (bounded rationality), and dislike of risk; organizational assumptions regarding conflicts between company members, effectiveness criteria through company operational efficiency, and information asymmetry between principal-agent; as well as the information assumption which considers information as a tradable commodity. These assumptions trigger agency conflicts. The implementation of GCG is intended to minimize this conflict by having a supervisory and company management structure that provides alignment of principal and agent interests.
Some empirical evidence on the relationship between GCG and financial performance includes. Mishra & Mohanty (2014) show the influence of corporate governance on company performance, as evidenced by the company's financial performance. The results of this study are also supported by Kowalewski (2016), Abdallah & Ismail (2016), and Chauhan et al. (2016). From there, the hypothesis as follows:
H1: Good Corporate Governance influences company performance

The Influence of GCG on Intellectual Capital

Good Corporate Governance aims to reduce agency problems (Jensen & Meckling, 1976). GCG is related to how to convince investors that the company will provide them with profits and not invest their funds in projects that can harm both parties. GCG as a company control and management system requires competent people to create various policies and implement the system. In Intellectual Capital (IC), these competencies and knowledge are included in the human capital component (Bontis, 1999). Furthermore, this knowledge will be embedded in organizational routines which will create an organizational culture, structure and system (Petty & Guthrie, 2000). With a good organizational system, businesses can establish relationships with market channels, customers, suppliers, governments and industry networks (Bontis, 1999).
Several studies have demonstrated the effects of GCG on IC, including: Altuner et al. (2015) demonstrated the influence of corporate governance on IC. The research results of the study are supported by research Appuhami & Bhuyan (2015), Nkundabanyanga et al. (2014), and Nkundabanyanga (2016).

H2: Good Corporate Governance influences Intellectual Capital

The impact of intellectual capital on business performance

In corporate governance, added value can be created if the company has the ability to manage its resources, both physical assets and intellectual assets, in order to achieve stakeholder expectations. The RBV concept emphasizes the importance of managing resources effectively so that a company has a competitive advantage over its competitors. Human resources are one of the company's intellectual assets which are a source of knowledge, skills and competencies. Employee productivity will increase if their potential is utilized and managed well by the company. This increase in productivity will provide benefits for the company from increased revenues and profits, and will have an impact on increasing company performance.
Intellectual capital is believed to play an important role in increasing corporate value and financial performance. Haji (2016) proves that IC is positively related to company performance as measured by market value. In addition, research results Nimtrakoon (2015) shows the influence of IC on company performance. The results of this research are supported by Nawaz & Haniffa (2017), and Onyekwelu et al. (2017).
H3: Intellectual capital influences company performance

The role of intellectuals in mediating the influence of GCG on company performance

Knowledge based view emphasizes the importance of knowledge as a company resource. This view forms the basis of human involvement as a source of knowledge in the company's routine activities. KBV also emphasizes the importance of developing new knowledge to gain competitive advantage through various unique combinations of knowledge(Fleming, 2001). To gain competitive advantage, companies can not only attract, retain and utilize competent and qualified human resources in the labor market but also acquire structural resources in technology, latest manufacturing processes to create quality and patented products and services, as well as develop partners with stakeholders such as customers, suppliers, creditors and government agencies. GCG is a system, set of rules and procedures(Al-Malkawi et al., 2014; Mishra & Mohanty, 2014; Shank et al., 2013) contribute to IC, through management and supervision. Therefore, companies must deploy and manage their intellectual capital resources to maximize company performance (Peng, 2011). This shows that IC must be utilized appropriately in organizations(Edvinsson & Sullivan, 1996), and effective corporate governance must direct its efforts to utilize IC appropriately to improve company performance. This view is consistent with agency theory which holds that the board of directors should be concerned with improving strong corporate performance for the benefit of shareholders by implementing an effective corporate governance system.
H4: Intellectual capital mediates the effect of GCG on firm performance

METHOD

Conceptual Framework

Observing the functional relationship between several variables discussed in this research, the research conceptual framework is:

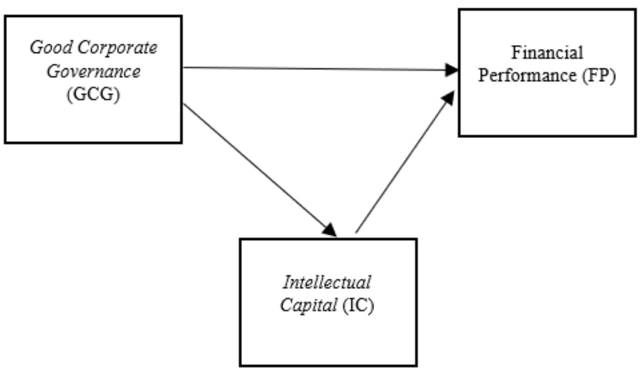

Figure 1. Conceptual Framework

The population used in this research is conventional banking companies listed on the Indonesia Stock Exchange (BEI). Based on IDX data, there are 44 banking companies used as the research population. Data was taken using the census method. The data processed is complete financial report data issued by the company in 2019-2021. Data analysis uses path analysis which will be assisted by SmartPLS 2.0 software.

Operational Definition and Variable Measurement

a. GCG is a system and set of rules used to manage and control a company (Al-Malkawi et al., 2014; Forum for Corporate Governance in Indonesia, 2001; Mishra & Mohanty, 2014; Shank et al., 2013). In this research, GCG is measured by ranking the GCG self-assessment composite score according to Bank Indonesia based on SE No. 15/15/DPNP 2013 obtained from the company's annual report. The composite score rating is a category for assessing the implementation of Indonesian banking GCG principles. The value ranking consists of 1 to 5. The smaller the banking composite value ranking indicates the better the implementation of GCG in the company.

b. Intellectual capital is an intangible asset owned by a company to accelerate the achievement of company goals. This variable is measured using the Value Added Intellectual Coefficient (VAIC™)
c. Company performance is the result of the company's achievements in managing all its resources which is reflected in Return On Assets (ROA).

RESULT AND DISCUSSION

Path Analysis

The results of this analysis can be seen from the magnitude of the structural path coefficient (path coefficient) and t-value for the significance of the estimation model. The path coefficient results can be seen in table 1.

Table 1. ***Path Coefficient Result***

	Original sample estimate	**Mean of subsamples**	**Standard deviation**	**T-Statistic**	**Information**
GCG → IC	0.444	0.424	0.142	3.123	Significant (t >1,96)
IC → FP	0.695	0.661	0.140	4.959	Significant (t >1,96)
GCG → FP	0.086	0.125	0.153	0.565	Non Significant (t <1,96)

The t-statistic value of the GCG path coefficient to FP is 0.565 < 1 > 1.96, and the parameter value is 0.424. This shows that GCG has a positive impact of 0.424 on IC. The t-statistic value of the IC path coefficient to FP is 4.959 > 1.96, and the parameter value is 0.661. This indicates that IC has a positive impact on firm performance of 0.661.

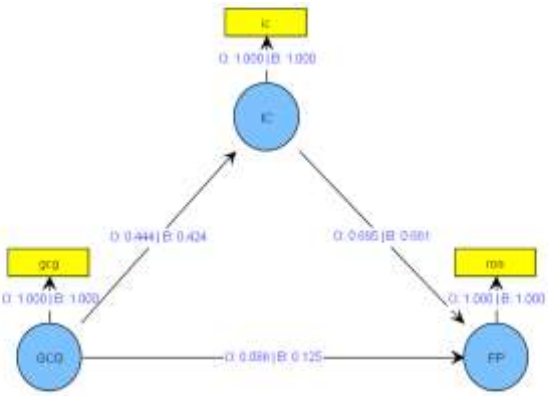

Figure 2 : Path Coefficient Framework

Testing the Effect of Mediation

Testing the effect of mediation is carried out by comparing the direct influence of the dependent variable on the independent variable and the influence of the dependent variable on the independent variable indirectly through the mediating variable. The test results in table 1 show that the GCG variable has an effect on IC with a t-statistic of 3.123. Apart from that, the IC variable also influences FP with a t-statistic of 4.959. This shows that IC is a mediating variable in this research model

Table 2 is a test of the influence of GCG variables on FP without involving the mediating variable IC. The test results show that the path coefficient for the GCG variable towards FP has a parameter value of 0.357 with a t-statistic of 2.573.

Table 2. Path Coefficient Results Without Involving IC Mediating Variables

	original sample estimate	**mean of subsamples**	**Standard deviation**	**T-Statistic**	**Information**
GCG → FP	0.395	0.357	0.153	2.573	Significant (t >1,96)

The results in table 2 show that the GCG variable has no direct effect on FP with a t-statistic value of 2.573. However, GCG indirectly influences FP through IC. This is proven by the influence of GCG on IC with a t-statistic of 3.123 and the influence of IC on FP with a t-statistic of 4.959. Based on this, IC on the GCG → FP path can be said to be a complete mediation variable.

Figure 3 : Path Coefficient Results Without Involving IC Mediating Variables

DISCUSSION

The Influence of Good Corporate Governance on Company Performance

The research results show that there is no influence of Good Corporate Governance (GCG) on the performance of Indonesian banking companies. GCG refers to a set of rules and incentives by which company management can be directed and controlled by the principal. The hope of implementing GCG is that management is able to maximize profits and long-term value of the company for shareholders (Velnampy, 2013). However, it is felt that GCG as a set of rules and company management systems cannot guarantee increased company performance (Bin & Yi, 2015; Moscu, 2013; Ong & Gan, 2013). This may happen because there are members of the board of directors or independent commissioners as supervisors in the GCG system only for formality, while the majority shareholder (company owner) is directly involved in decision making (Ong & Gan, 2013). Of course, this can trigger a conflict of interest between the agent and the principal so that GCG does not contribute to improving performance.

This conflict of interest is triggered by several assumptions. The first assumption is that human nature tends to prioritize its own interests and likes to avoid risks. The second assumption is that there is conflict between company members, criteria for company operational effectiveness, and information asymmetry between principals and agents. The third assumption is that information is an important commodity that can be traded. Another possibility is that several independent directors and commissioners hold more than one directorship in other companies (Bin & Yi, 2015) so that their intensity with company operations will be reduced (Hussin & Othman, 2012) and their role as supervisors and advisors will also be less effective (Mohamad et al., 2012).

The lack of influence of GCG on company performance is also because the importance of corporate governance information as an analytical instrument for decision making may not have been properly socialized to stakeholders. The results of this research indicate that GCG in Indonesian banking cannot yet be an accurate signal regarding company performance. However, improving the quality of GCG implementation needs to continue because the risks and challenges in business are increasing and becoming more complex. Apart from that, the results of implementing GCG are not immediately felt. Long-term implementation is required for this system to have an impact on the company (Gompers et al., 2003).

In order for the implementation of GCG to have a positive influence on company performance, the board of directors and commissioners must concentrate on playing their vital role well in the company's activities. They must also have the right understanding and competence to handle current and future business problems (Velnampy, 2013). This can encourage increased company performance, and can effectively review and evaluate management performance.

The impact of good corporate governance on intellectual capital

Good corporate governance has a negative relationship with IC, as measured by Bank Indonesia's overall score evaluation. Considering that the smaller the composite score is, the better the implementation of GCG in a banking company, our findings indicate that the better the implementation of GCG in a bank, the better the company can manage IC. IC is an intangible asset that can provide competitive advantage to various companies and increase their market share through the necessary knowledge and resources (Lu et al., 2010). IC can also be said to be a valuable source of information for measuring a company's growth. Meanwhile, GCG plays a supervisory role in important investment decisions. (Alizadeh et al., 2014). Managing an organization's IC is a responsibility and an element of all corporate governance systems (Keenan & Aggestam, 2001).

There is an important connection between the concepts of corporate governance, which focuses on the patterns of stakeholder influence that influence managerial decision making, and IC, which focuses on creating and increasing an organization's intangible capital (Altuner et al., 2015; Appuhami & Bhuyan, 2015; Keenan & Aggestam, 2001). There are three points of convergence of the two constructs, first, both GCG and IC emphasize value creation for the benefit of stakeholders; second, GCG and IC focus on creating company wealth; and third, both GCG and IC place importance on social/cultural variables (Keenan & Aggestam, 2001). Both concepts recognize the interaction between the business environment, society/organizational culture, governance structures and processes, and wealth creation through the management of intellectual capital and other physical capital.

The Influence of Intellectual capital on Company Performance

Intellectual capital (IC) is a number of knowledge and abilities that enable a company to obtain and/or maintain a sustainable competitive advantage (Kamukama, 2013; Nahapiet & Ghosal, 1998; Youndt et al., 2004). In the modern economy, wealth creation and economic growth originate more from intangible (intellectual) assets (Salehi et al., 2014). The progress of the new economy is an emphasis on the fact that creating value depends more on intangible assets than on tangible assets (physical and financial). IC has hidden value that cannot be observed in financial reports, and is the subject that leads organizations to gain competitive advantage (Maditinos et al., 2011).

IC components consist of human capital, structural capital, and customer capital (Bontis et al., 2000). Human capital refers to the values of employees that create potential and is expressed in the knowledge, abilities, skills, experience, abilities and talents of employees and company managers (Onyekwelu et al., 2017). Structural capital is the knowledge assets owned by a company and includes intellectual property such as patents, copyrights, and trademarks, processes, methods, models, documents and other knowledge products, computer networks and software, etc (Gogan et al., 2015; Onyekwelu et al., 2017; Secundo et al., 2015). Customer capital is the potential an organization has through its intangible asset (Bontis, 1999) It is the value of a company's relationships with suppliers, allies, and customers and is divided into brand equity and customer loyalty. When used properly, all these IC components can give companies an advantage over their competitors and have a positive impact on improving company performance (Nawaz & Haniffa, 2017).

The mediating role of intellectual capital on good corporate governance and its impact on corporate performance.

The role of IC in providing indirect influence on the relationship between GCG and company performance is that GCG is a company monitoring and controlling system that requires the active involvement of the entire organization (Lukviarman, 2016:51). Therefore, it is important to understand and utilize the capabilities, skills, experience and knowledge of the company's human resources, which are part of IC. IC is not only about individual intelligence or knowledge but also includes human capital, structural capital, and customer/relational capital (Mention, 2012).

Human capital includes a hand's knowledge, moxie, capabilities, chops, bents, and capability to make and apply knowledge to negotiate an association's charge (OECD, 2008). This means that people with high education and experience, especially those at the top of the association similar as the board of directors, are a better resource for the association (Jermias & Gani, 2014). One of the duties of a good director is to attract knowledgeable, competent and good labor force from the labor (Berezinets et al., 2016), and to use them to produce high-quality products and achieve competitive advantage. It's to be used for the development of sexual capacities and to ameliorate the company's performance.

On the other hand, structural capital includes knowledge, invention, organizational processes, culture, intellectual property, patents and information systems for the proper functioning of human capital (Roos et al., 2005). Attracting well-good and knowledgeable workers is not delicate enough, but turning their chops and capacities into value creation requires developing effective structures to hire and retain these employees (Safieddine et al., 2009). Commercial culture is also an important part of structural capital and includes the organization's vision, values, and traditions. Employee performance is influenced by culture through motivation, and as a result, structural capital can increase or decrease human resource performance. A board meeting is considered an intellectual exercise by directors (executive and non-executive directors) to partake their vision, values, new ideas and suggest programs and procedures for relinquishment in the association (Dezs & Ross, 2012).

Relationship capital includes licenses, votes, relation, and contracts with consumers, suppliers, creditors, investors, governments, and society that allow a company to easily manufacture and vent its products. It reflects the association's capability to establish and maintain communication connections with all of the company's stakeholders. We help associations develop databases containing all information about their guests, suppliers, and challengers. This information is also used to prognosticate changes and develop unborn strategies (Salehi et al., 2014). Boards demonstrate relational capital because their presence provides an occasion to bring precious coffers to the association through a combination of relational networks (Dalziel et al., 2011). They also tend to perform better because they've further experience, different work surroundings, and expansive knowledge (Carcello et al., 2002).

CONCLUSION AND RECOMMENDATION

Overall, this study concludes that intellectual capital plays an important role in indirectly supporting the impact of GCG on firm performance. Corporate performance is the goal that business organizations, including banks, strive to achieve. Empirical evidence has always shown that a company's performance is influenced by several fundamental factors such as his GCG. Intellectual capital has an indirect impact on GCG impact and organizational performance through the management and supervision of enabling talented people to perform their functions and roles.

The findings support the resource-based and knowledge-based views that intellectual capital is a knowledge-based business resource that can provide competitive advantage. For intellectual capital based enterprises such as banks, the role of intellectual capital needs to be enhanced to achieve better performance. The limitation of this research is that the GCG self-assessment composite ranking cannot be described in detail because there is a range of values so there is an element of bias because researchers cannot capture the actual composite value. This opens up opportunities for future researchers to use other GCG measurement indicators as an effort to reduce bias.

REFERENCES

1. Abdallah, A. A. N., & Ismail, A. K. (2016). Corporate governance practices, ownership structure, and corporate performance in the GCC countries. *Journal of International Financial Markets, Institutions and Money*, 1–52. https://doi.org/10.1016/j.intfin.2016.08.004
2. Abor, J., & Fiador, V. (2013). Does corporate governance explain dividend policy in Sub-Saharan Africa? *International Journal of Law and Management*, *55*(3), 201–225. https://doi.org/10.1108/17542431311327637
3. Al-Malkawi, H. A. N., Pillai, R., & Bhatti, M. I. (2014). Corporate governance practices in emerging markets: The case of GCC countries. *Economic Modelling*, *38*, 133–141. https://doi.org/10.1016/j.econmod.2013.12.019
4. Alizadeh, R., Chashmi, S. A. N., & Bahnamiri, A. J. (2014). Corporate governance and intellectual capital. *Management Science Letters*, *4*, 181–186. https://doi.org/10.5267/j.msl.2013.11.014
5. Altuner, D., Çelik, S., & Güleç, T. C. (2015). The linkages among intellectual capital, corporate governance and corporate social responsibility. *Corporate Governance: The International Journal of Business in Society*, *15*(4), 491–507. https://doi.org/10.1108/CG-04-2014-0044
6. Appuhami, R., & Bhuyan, M. (2015). Examining the influence of corporate governance on intellectual capital efficiency: Evidence from top service firms in Australia. *Managerial Auditing Journal*, *30*(4/5), 347–372. https://doi.org/http://dx.doi.org/10.1108/MRR-09-2015-0216
7. Berezinets, I., Garanina, T., & Ilina, Y. (2016). Intellectual capital of a board of directors and its elements: introduction to the concepts. *Journal of Intellectual Capital*, *17*(4). https://doi.org/http://dx.doi.org/10.1108/MRR-09-2015-0216
8. Bin, R. L. L., & Yi, L. S. (2015). Board Mechanisms and Performance of Government-Linked Companies on Bursa Malaysia. *Procedia Economics and Finance*, *31*(15), 399–417. https://doi.org/10.1016/S2212-5671(15)01215-0
9. Bontis, N. (1999). Managing organizational knowledge by diagnosing intellectual capital : framing and advancing the state of the field. *Int. J. Technology Management*, *18*(Nos. 5/6/7/8), 433–462.
10. Bontis, N., Keow, W. C. C., & Richardson, S. (2000). IC in Malaysian industries Intellectual capital and business performance in Malaysian industries. *Journal of Intellectual Capital*, *1*(1), 85–100. https://doi.org/10.1108/14691930010324188
11. Carcello, J. V, Hermanson, D. R., Neal, T. L., & Riley, R. A. (2002). Board Characteristics and Audit Fees. *Contemporary Accounting Research*, *19*(3), 365–384.
12. Chauhan, Y., Lakshmi, K. R., & Dey, D. K. (2016). Corporate governance practices, self-dealings, and firm performance: Evidence from India. *Journal of Contemporary Accounting and Economics*, *12*(3), 274–289. https://doi.org/10.1016/j.jcae.2016.10.002
13. Dalziel, T., Gentry, R. J., & Bowerman, M. (2011). An Integrated Agency – Resource Dependence View of the Influence of Directors ' Human and Relational Capital on Firms ' R & D Spending. *Journal OfManagement Studies*, *48*(6), 1217–1242. https://doi.org/10.1111/j.1467-6486.2010.01003.x
14. Dezs, C. L., & Ross, D. G. (2012). Does female representation in top management improve firm performance ? A panel data investigation. *Strategic Management Journal*. https://doi.org/10.1002/smj
15. Edvinsson, L., & Sullivan, P. (1996). Developing a model for managing intellectual capital. *European Management Journal*, *14*(4), 356–364. https://doi.org/10.1016/0263-2373(96)00022-9
16. Fatoki, O. (2011). The impact of human, social and financial capital on the performance of small and medium-sized enterprises (SMEs) in South Africa. *Journal of Social Sciences*, *29*(3), 193–204. https://doi.org/10.1080/09718923.2011.11892970
17. Fleming, L. (2001). Recombinant Uncertainty in Technological Search. *Management Science*, *47*(1), 117–132. https://doi.org/10.1287/mnsc.47.1.117.10671
18. Forum for Corporate Governance in Indonesia. (2001). *Corporate Governance Self Assessment Checklist*. www.fcgi.or.id
19. Ghosh, S., & Mondal, A. (2009). Indian software and pharmaceutical sector IC and financial performance. *Journal of Intellectual Capital*, *10*(3), 369–388. https://doi.org/10.1108/14691930910977798
20. Gogan, L. M., Duran, D. C., & Draghici, A. (2015). Structural Capital - A Proposed Measurement Model. *Procedia Economics and Finance*, *23*(October 2014), 1139–1146. https://doi.org/10.1016/S2212-5671(15)00503-1
21. Gompers, P. A., Ishii, J. L., & Metrick, A. (2003). Corporate governance and equity prices. *Quarterly Journal of Economics*, *118*(1), 107–155.
22. Haji, A. A. (2016). Trend of hidden values and use of intellectual capital information. *Accounting Research Journal*, *29*(1), 81–105. https://doi.org/10.1108/ARJ-08-2013-0052

23. Harlanu, M., Suryanto, A., Ramadhan, S., & Wuryandini, E. (2023). Construct validity of the instrument of digital skill literacy. Cakrawala Pendidikan, 42(3), 781–790. Scopus. https://doi.org/10.21831/cp.v42i3.59703
24. Hashim, M. J., Osman, I., & Alhabshi, S. M. (2015). Effect of Intellectual Capital on Organizational Performance. *Procedia - Social and Behavioral Sciences*, *211*(September), 207–214. https://doi.org/10.1016/j.sbspro.2015.11.085
25. Hussin, N., & Othman, R. (2012). Code of Corporate Governance and Firm Performance. *British Journal of Economics, Finance and Management Sciences*, *6*(2(1)), 1–22.
26. Jensen, C., & Meckling, H. (1976). Theory of the Firm : Managerial Behavior, Agency Costs and Ownership Structure. *Journal of Financial Economics*, *3*(4), 305–360.
27. Jermias, J., & Gani, L. (2014). The impact of board capital and board characteristics on firm performance. *British Accounting Review*, *46*(2), 135–153. https://doi.org/10.1016/j.bar.2013.12.001
28. Kamukama, N. (2013). Intellectual capital: company's invisible source of competitive advantage. *Competitiveness Review*, *23*(3), 260–283. https://doi.org/10.1108/10595421311319834
29. Keenan, J., & Aggestam, M. (2001). Corporate governance and intellectual capital: Some conceptualisations. *Corporate Governance*, *9*(4), 259–275. https://doi.org/10.1111/1467-8683.00254
30. Kismoyo, C. P., Kartowagiran, B., Suyanto, S., & Ramadhan, S. (2023). Analysis of Continuity of Care Research Developments Based on the Scopus Database 20 20-2023: A Bibliometric Study. International Journal of Membrane Science and Technology, 10(3), 164–173. Scopus. https://doi.org/10.15379/ijmst.v10i3.1499
31. Komite Nasional Kebijakan Governance. (2006). *Pedoman Umum Good Corporate Governance Indonesia*. www.governance-indonesia.or.id
32. Kowalewski, O. (2016). Corporate governance and corporate performance: financial crisis (2008). *Management Research Review*, *39*(11), 1494–1515. https://doi.org/10.1108/MRR-12-2014-0287
33. Lentjušenkova, O., & Lapina, I. (2016). The transformation of the organization's intellectual capital: from resource to capital. *Journal of Intellectual Capital*, *17*(4). https://doi.org/http://dx.doi.org/10.1108/MRR-09-2015-0216
34. Lu, W., Wang, W., Tung, W., & Lin, F. (2010). Expert Systems with Applications Capability and efficiency of intellectual capital : The case of fabless companies in Taiwan. *Expert Systems With Applications*, *37*(1), 546–555. https://doi.org/10.1016/j.eswa.2009.05.031
35. Lukviarman, N. (2016). *Corporate Governance, Menuju Penguatan Konseptual dan Implementasi Di Indonesia*. Era Adicitra Intermedia.
36. Maditinos, D., Chatzoudes, D., Tsairidis, C., & Theriou, G. (2011). The impact of intellectual capital on firms ' market value and financial performance. *Journal of Intellectual Capital*, *12*(1), 132–151. https://doi.org/10.1108/14691931111097944
37. Mention, A. (2012). Intellectual Capital , Innovation and Performance : a Systematic Review of the Literature. *Business and Economic Research*, *2*(1), 1–37. https://doi.org/10.5296/ber.v2i1.1937
38. Mishra, S., & Mohanty, P. (2014). Corporate governance as a value driver for firm performance: evidence from India. *Corporate Governance: The International Journal of Business in Society*, *14*(2), 265–280. https://doi.org/10.1108/CG-12-2012-0089
39. Mohamad, M. H. S., Rashid, H. M. A., & Shawtari, F. A. M. (2012). Corporate governance and earnings management in Malaysian government linked companies. *Asian Review of Accounting*, *20*(3), 241–258. https://doi.org/10.1108/13217341211263283
40. Moscu, R. (2013). The Relationship between Firm Performance and Bord Characteristics in Romania. *International Journal of Academic Research in Economics and Management Sciences*, *2*(1), 167–175.
41. Nahapiet, J., & Ghosal, S. (1998). Social capital, intellectual capital, and the organizational advantage. *Academy of Management Review*, *23*(2), 242–266.
42. Nasih, M. (2011). Peran Strategis Intellectual Capital Sebagai Variabel Antara Pengaruh Financial Capital Terhadap Kinerja Perusahaan. *Ekuitas: Jurnal Ekonomi Dan Keuangan*, *15*(2), 194–209.
43. Nawaz, T., & Haniffa, R. (2017). Determinants of financial performance of Islamic banks: an intellectual capital perspective. *Journal of Islamic Accounting and Business Research*, *8*(2), 130–142. https://doi.org/10.1108/JIABR-06-2016-0071
44. Nimtrakoon, S. (2015). The relationship between intellectual capital, firms' market value and financial performance. *Journal of Intellectual Capital*, *16*(3), 587–618. https://doi.org/10.1108/JIC-09-2014-0104
45. Nkundabanyanga, S. K. (2016). Board governance, intellectual capital and firm performance. *Journal of Economic and Administrative Sciences*, *32*(1), 20–45. https://doi.org/10.1108/JEAS-09-2014-0020
46. Nkundabanyanga, S. K., Ntayi, J. M., Ahiauzu, A., & Sejjaaka, S. K. (2014). Intellectual capital in Ugandan service firms as mediator of board governance and firm performance. *African Journal of Economic and Management Studies*, *5*(3), 300–340. https://doi.org/10.1108/AJEMS-06-2012-0041
47. OECD. (2008). *Intellectual Assets And Value Creation Synthesis Report Organisation For Economic Co-Operation And Development*.
48. Ong, T. S., & Gan, S. S. (2013). Do family-owned banks perform better? A study of Malaysian Banking

Industry. *Asian Social Science*, *9*(7), 124–135. https://doi.org/10.5539/ass.v9n7p124

49. Onyekwelu, U. L., Okoh, J. I., & Iyidiobi, F. . (2017). Effect Of Intellectual Capital On Financial Performance Of Banks In Nigeria. *European Journal of Accounting, Auditing and Finance Research*, *5*(2), 28–57.
50. Peng, T. J. A. (2011). Resource fit in inter-firm partnership: Intellectual capital perspective. *Journal of Intellectual Capital*, *12*(1), 20–42. https://doi.org/10.1108/14691931111097908
51. Petty, R., & Guthrie, J. (2000). Intellectual capital literature review Intellectual capital literature review Measurement, reporting and management. *Journal of Intellectual Capital*, *1*(2), 155–176. https://doi.org/10.1108/14691930010348731
52. Roos, G., Pike, S., & Fernström, L. (2005). Managing Intellectual Capital in Practice. In *Elsevier*. Elsevier/Butterwoth-Heinemann. https://doi.org/10.1128/AAC.03728-14
53. Safieddine, A., Jamali, D., & Noureddine, S. (2009). Corporate governance and intellectual capital : evidence from an academic. *Corporate Governance: The International Journal of Business in Society*, *9*(2), 146–157. https://doi.org/10.1108/14720700910946596
54. Salehi, M., Seraj, A. H. M., & Mohammadi, R. (2014). The Effect of Intellectual Capital on the Profitability Ratios in the Banking Industry: Evidence from Iran. *The IUP Journal of Bank Management*, *13*(1), 38–52.
55. Secundo, G., Elena-Perez, S., Martinaitis, Ž., & Leitner, K.-H. (2015). An intellectual capital maturity model (ICMM) to improve strategic management in European universities. *Journal of Intellectual Capital*, *16*(2), 419–442. https://doi.org/http://dx.doi.org/10.1108/02683940010305270
56. Shank, T., Hill, R. P., & Stang, J. (2013). Do investors benefit from good corporate governance ? *Corporate Governance: The International Journal of Business in Society*, *13*(4), 384–396. https://doi.org/10.1108/CG-03-2010-0027
57. Sumedrea, S. (2013). Intellectual Capital and Firm Performance: A Dynamic Relationship in Crisis Time. *Procedia Economics and Finance*, *6*(13), 137–144. https://doi.org/10.1016/S2212-5671(13)00125-1
58. Surat Edaran Bank Indonesia No. 15/15/DPNP tahun 2013 tentang Pelaksanaan *Good Corporate Governance* bagi Bank Umum.
59. Ting, I. W. K., & Lean, H. H. (2009). Intellectual capital performance of financial institutions in Malaysia. *Journal of Intellectual Capital*, *10*(4), 588–599. https://doi.org/10.1108/14691930910996661
60. Velnampy, T. (2013). Corporate Governance and Firm Performance : A Study of Sri Lankan Manufacturing Companies. *Journal of Economics and Sustainable Development*, *4*(3), 228–235.
61. Wihardjo, R. S. D., Muktiono, A., Ramadhan, S., Salman, I., & Hadiana, D. (2023). The Analysis of Instrument Quality to Measure Graduate Students' Higher Order Thinking Skill in Environmental Education Learning. International Journal of Membrane Science and Technology, 10(3), 277–283. https://doi.org/10.15379/ijmst.v10i3.1528
62. Youndt, M. A., Subramaniam, M., & Snell, S. A. (2004). Intellectual Capital Profiles : An Examination of Investments and Returns. *Journal of Management Studies*, *41*(2), 335–361. https://doi.org/10.1111/j.1467-6486.2004.00435.x
63. Zabri, S. M., Ahmad, K., & Wah, K. K. (2016). Corporate Governance Practices and Firm Performance: Evidence from Top 100 Public Listed Companies in Malaysia. *Procedia Economics and Finance*, *35*, 287–296. https://doi.org/10.1016/S2212-5671(16)00036-8
64. Zaidirina, N. A., & Lindrianasari, N. A. (2015). Corporate governance perception index, performance and value of the firm in Indonesia. *International Journal of Monetary Economics and Finance*, *8*(4), 385. https://doi.org/10.1504/IJMEF.2015.073230
65. Zuroidah, N., Hadi, S., & Ramadhan, S. (2024). The Joint Model of Two-Parameter Logistic and Response Time Model for Computer-Based Tests. International Journal of Engineering Trends and Technology, 72(1), 117–129. Scopus. https://doi.org/10.14445/22315381/IJETT-V72I1P112