

**THE EFFECT OF INTELLECTUAL CAPITAL TOWARDS FINANCIAL
PERFORMANCE AND FIRM VALUE IN BANKING INDUSTRY**

UNDERGRADUATE THESIS

In partial fulfillment for the requirement for the degree of Bachelor of Economics
(Sarjana Ekonomi) at Accounting Department, Faculty of Economics and
Business



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**ACCOUNTING DEPARTMENT
FACULTY OF ECONOMICS AND BUSINESS
UNIVERSITAS MUHAMMADIYAH YOGYAKARTA
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PERFORMANCE AND FIRM VALUE IN BANKING INDUSTRY**



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DECLARATION

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I hereby declare that this undergraduate thesis entitled “The Effect of Intellectual Capital towards Financial Performance and Firm Value in Banking Industry” does not consist of any content that ever being proposed for any degree in order university, ideas of any research and publication of others, in exception all quotes and ideas which are purposely taken are considered as the research references and listed in the reference list. Therefore, if any violation of intellectual right found in this study, I agree to accept any relevant academic consequences.

Yogyakarta, December 2017

Nur Afni Taufiqurrohmah Putri

MOTTO

“Just be yourself”

“If you believe, you can achieve”

“The 3 C’s in life: Choice, Chance, and Change. You must make the Choice, to take the Chance, if you want anything in life to Change”

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ABSTRACT

This study aimed to analyze the influence of intellectual capital towards financial performance and firm value in Indonesia and Malaysia. The subject of this research was 44 banking companies listed in Indonesia Stock Exchange (BEI) and 32 banking companies listed in Bursa Malaysia (BM) from 2013-2016. The sampling method used in this research is purposive sampling. The data obtained from the annual reports in Indonesia Stock Exchange and Bursa Malaysia. The data analysis used the descriptive statistics test, classical assumption test, and test of hypotheses.

The result showed that; intellectual capital positively influences the financial performance in Indonesian and Malaysian banking companies, intellectual capital did not influence firm value in banking companies, and there was a difference financial performance and firm value of banking companies in Indonesia and Malaysia.

Keywords: Intellectual Capital, Value Added Intellectual Coefficient (VAIC), Financial Performance, and Firm Value

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This undergraduate thesis entitled “The Effect of Intellectual Capital towards Financial Performance and Firm Value in Banking Industry” was prepared to complete undergraduate requirement that leads to Bachelor Degree of Economics (Sarjana Ekonomi) at Accounting Department, Faculty of Economics and Business, Universitas Muhammadiyah Yogyakarta.

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