CORPORATE GOVERNANCE, INTELLECTUAL CAPITAL AND FINANCIAL PERFORMANCE

Heni Hirawati[1)*], Axel Giovanni[2)], Yacobo P. Sijabat[3]

[1,2,3]Universitas Tidar,
[1]heni.hirawati@untidar.ac.id, [2]axelgiovanni@untidar.ac.id, [3]yacobo.djabat@untidar.ac.id

Kata Kunci:
Kinerja keuangan, Modal Intelektual, Tata Kelola

ABSTRAK

Kinerja Keuangan perusahaan merupakan gambaran tentang kondisi keuangan suatu perusahaan yang mencerminkan prestasi kerja dalam periode tertentu. Kinerja perusahaan juga ditentukan oleh kemampuan bersaing terhadap perusahaan lain. Kemampuan bersaing perusahaan dapat ditingkatkan melalui tata kelola perusahaan yang baik dan juga pemanfaatan modal intelektual perusahaan. Adanya perubahan pola manajemen dari labour-based business menjadi knowledge-based business memicu tumbuhnya minat dalam pengungkapan modal intelektual. Penelitian ini bertujuan untuk memberikan bukti empiris mengenai peran modal intelektual dan tata kelola dalam menjelaskan variabilitas kinerja keuangan perusahaan. Penelitian ini menggunakan 20 perusahaan BUMN yang terdaftar di BEI periode 2015 -2020 sebagai sampelnya. Analisa data penelitian dengan regresi data panel menggunakan STATA. Hasil penelitian menunjukkan bahwa Corporate Governance dan Intelectual Capital tidak berpengaruh signifikan terhadap Kinerja keuangan BUMN. Pada variabel kontrol yang terdiri dari Leverage, Ukuran perusahaan, dan Umur perusahaan, hanya leverage saja yang memiliki pengaruh terhadap kinerja keuangan perusahaan.

Keywords:
Financial Performance, Intellectual Capital, Corporate Governance

ABSTRACT

The company's financial performance is a description of the financial condition of a company that reflects work performance in a certain period. The company's performance is also determined by the ability to compete against other companies. The company's competitive ability can be improved through good corporate governance and utilising the company's intellectual capital. The change in management pattern from labour-based business to knowledge-based business has triggered the growing interest in intellectual capital disclosure. This study aims to provide empirical evidence regarding the role of intellectual capital and governance in explaining the variability of corporate financial performance. This study uses samples of 20 state-owned companies (BUMN) listed on the Indonesia Stock Exchange for 2015-2020. Analysis of research data with panel data regression using STATA. The results show that Corporate Governance and Intellectual Capital have no significant effect on the BUMN financial performance. In the control variables consisting of Leverage, Firm Size, and Company Age, only leverage influences the company's financial performance.

INTRODUCTION

The number of foreign companies entering Indonesia requires domestic companies to further improve the company's performance in order to face increasingly fierce competition. Business people are also increasingly aware of improving company performance. Company performance is a description of a company's financial condition, which is analyzed with financial analysis tools to know about the good and bad financial conditions of the company that reflect work performance in a certain period. A company with management that implements good governance or good corporate governance (GCG) will protect and guarantee its stakeholders' rights. The application of GCG principles relates to influencing investors to believe that the company can provide benefits. The implementation of GCG will prevent errors in the company's operations and fraud and help companies survive in the face of increasingly fierce competition. Good corporate governance has a role in controlling the company so that the company's operational activities can run by the goals and expectations of the interested parties.

Corporate governance is not only needed by private companies. State-owned companies also really need good governance. State-owned companies have become a milestone for economic progress and development. State-owned companies in Indonesia are Badan Usaha Milik Negara (BUMN). According to Law Number 19 of 2003, BUMN is a business entity whose entire or most capital is owned by the state through direct investment and comes from separated state assets. In its journey, the number of BUMN continues to change under the implementation of the BUMN development strategy to optimize the contribution of BUMN to the Indonesian economy (bumn.go.id). Currently, the number of BUMN has reached 142 companies. Deputy Minister of State-Owned Enterprises (BUMN), Kartika Wirjoatmodjo, said his party is currently reducing red plate companies (economy.okezone.com). The number of BUMN was downsized to improve portfolios with corporate restructuring aimed at consolidation and simplification so that BUMN could focus on carrying out their respective roles (bumn.go.id). In addition, state-owned companies are strongly influenced by government policies. Many laws and ministerial regulations regulate the organization, governance and company policies of BUMN organizations. They are included in the election of commissioners and directors of each BUMN. Because it is very complex, there needs to be an in-depth study to look at governance in BUMN.

The ability to compete not only lies in the ownership of tangible assets but also on one of the resources that are quite valuable and has more value in a company, namely intangible assets. One of the approaches used to valuation and measurement these intangible assets is intellectual capital (IC). In addition, intense competition coupled with increasing technological developments has indirectly forced many companies to change their management patterns, which were initially focused on the workforce labour-based business becomes knowledge-focused. According to Pratama (2015), the change from a science-based business through the application of knowledge management triggers the growing interest in the disclosure of intellectual capital.

Research on the influence of governance and intellectual capital on financial performance includes research by Ariantini et al. (2017), show that governance does not affect the company's financial performance. Research conducted by Pratama (2015) examined the effect of Good Corporate Governance (GCG) and Intellectual Capital on Return On Assets (ROA) using data on banking companies in 2010-2012. The analysis results show that managerial ownership, the proportion of independent commissioners,

and the value-added intellectual coefficient affect the Return on Assets. In comparison, institutional ownership does not affect the Return on Assets. Ningrum (2012) examines the influence of intellectual capital and corporate governance on financial performance. The analysis results show that intellectual capital as measured by VAIC and independent commissioners has an effect on financial performance. Institutional ownership and managerial ownership do not affect financial performance. However, different results were obtained in contrast to the research conducted by Ratnasari et al. (2016) in manufacturing companies listed on the IDX in 2012-2014; she found that intellectual capital did not affect company performance.

Based on the previous research, it shows that there are inconsistent results. However, this empirical evidence can show the importance of implementing governance and intellectual capital in supporting corporate goals and the basis for policy-making to benefit various interested parties as a whole. Therefore, this study focuses on the governance, intellectual capital and financial performance of state-owned companies or BUMN. The formulation of the problem in this study are 1) Does governance as measured by the board of commissioners affect financial performance? and 2) Does intellectual capital affect financial performance. This study aims to provide empirical evidence regarding the role of intellectual capital and governance in explaining the variability of corporate financial performance

LITERATURE REVIEW

Financial performance

The company's financial performance is the determination of specific measures that can measure a company's success in generating profits. Financial performance is one factor that shows the effectiveness and efficiency of an organization to achieve its goals. The company's goals will be challenging to achieve if the company does not work efficiently, which causes the company to be unable to directly or indirectly compete with similar companies (Wijaya, 2017). Company performance can be measured using financial ratios. Financial performance in this study was measured using a profitability ratio, return on assets (ROA). One of the investors will look at the profitability ratio before investing.

Intellectual Capital

According to the International Federation of Accountants (2010), intellectual capital is capital based on the knowledge possessed by the company. It has a percentage of the value of the company determined by the management for the capital. Intellectual capital (IC) is usually defined as the difference between the market value of the company and the book value of the company or of the company's financial capital. Intellectual capital is often the primary determinant of a company's profit. According to Kartika (2011), intellectual capital is the main asset of a company in addition to physical and financial assets. Management of physical assets and financial assets requires reliable capabilities of the intellectual capital itself. In addition, producing a valuable product requires the ability and thinking power of employees and how to manage the organization and establish relationships with external parties. Sawarjuwono (2003) defines intellectual capital as the sum of what is produced by the three main elements of the organization, namely human capital, structural capital, customer capital

related to knowledge and technology that can provide more value to the company in the form of organizational competitive advantage.

Corporate Governance

The world economic crisis in 1998 made corporate governance a subject of review, and reform was carried out. According to the Minister of State Regulation BUMN (2011), Good Corporate Governance, hereinafter referred to as GCG, are the principles that underlie a process and mechanism for managing a company based on laws and regulations and business ethics. According to Al-Haddad et al., in Tertius (2015), GCG is related to how all stakeholders try to ensure that managers and other internal employees take appropriate steps or adopt mechanisms that protect stakeholder interests. In addition, GCG also determines how various shareholders and stakeholders, management, and the board of directors interact in determining the direction and performance of the company. The main objective of GCG is to create a control and balance system to prevent misuse of company resources and continue to encourage company growth. Good GGC should provide the right incentives for the board and management to achieve company goals and facilitate effective oversight.

One of the things related to GCG is the board of commissioners. Based on Law no. 40 of 2007 concerning Limited Liability Companies, the board of commissioners is a company organ in charge of conducting general or specific supervision by the articles of association and providing advice to the board of directors. The corporate governance framework must ensure the strategic guidance of the company, effective monitoring of management by the board of commissioners, and accountability of the board of commissioners to the company and its shareholders. The measurement of the board of commissioners used in this study uses the company's number of boards of commissioners.

Resource-Based Theory

Resources-based theory discusses the company's resources and the company's ability to manage and utilize these resources appropriately so that the company can gain a competitive advantage on an ongoing basis. Wernerfelt (1984) in Widarjo (2011) explains that according to the Resource-Based Theory view, companies will be increasingly superior in business competition and obtain good financial performance by owning, controlling, and utilizing critical strategic assets, tangible and intangible assets. One of the intangible assets is intellectual capital. The better the use of intellectual capital by the company, it can add to the value of a company and improve the company's performance that is getting better then impact on the satisfaction of the interests of the company's stakeholders.

Agency Theory

The existence of differences in interests between company managers and capital owners can lead to agency problems (agency problem). Sari (2017) states that agency theory (agency theory) is a theory that explains the relationship between principals (capital owners) and agents (management). This theory also explained asymmetric information between managers as agents and owners (shareholders) as principals. Asymmetry information occurs because the manager knows more about internal information and prospects than shareholders and other stakeholders. This agency problem raises costs so that the more agency problems arise, the profits of the owners of

capital will decrease. Agency theory has analyzed and sought solutions to two problems that arise in the contractual relationship. Therefore, it takes a Good Corporate Governance system.

Hypothesis
Corporate Governance and Financial Performance
The board of commissioners is tasked with overseeing the company's performance and providing input to the board of directors. In addition, the board of commissioners monitors the implementation of GCG and makes changes if necessary. With the supervision of the board of commissioners on management performance, it can reduce fraudulent actions and management's opportunistic behaviour because the board of commissioners supervises management performance so that it acts by the interests of the owner, namely increasing returns (profits) and owner's welfare as measured by ROA. Thus, managers will try to improve the efficiency of using company resources to generate more profits so that ROA increases. It is supported by the research results conducted by Al-Amameh, (2014); Jacking & Johl (2009), which examines GCG, ownership structure and bank performance. GCG, which is proxied by the size of the board of commissioners, has a positive influence on company performance as measured by ROA. The larger the size of the board of commissioners will improve the company's financial performance as a theory of resource dependency. A larger number of commissioners increases access to various resources to the external environment and positively impacts the performance company. A more diverse board of commissioners provides a mix of expertise, knowledge and skills (Al-Amameh, 2014). Another study conducted by Ibrahim (2011) stated that board size significantly affects the company's financial performance. Thus, the alternative hypotheses proposed in this study are as follows:
(H1) Governance has a positive and significant effect on financial performance.

Intellectual Capital and Financial Performance
As a resource-based theory, the companies that can manage intellectual capital well will have a competitive advantage and are believed to create added value that affects performance improvement company finance. According to Barney in Faza (2014), intellectual capital is recognized as a company asset because it can generate competitive advantage and superior financial performance. The better the company manages the three components of intellectual capital, the better the company manages assets. If the company can produce goods according to consumer needs, provide satisfactory service and maintain good relations with consumers, then this is a competitive advantage that the company has. Companies that have a competitive advantage will be able to compete and survive in a rapidly growing business environment. In addition, good asset management can increase the return on the number of assets owned by the company as measured by return on assets (ROA). Ningrum's research (2012) proves that intellectual capital as measured by VAIC has a significant positive effect on financial performance. Agustina et al. (2015) also prove that intellectual capital significantly affects ROA profitability. Thus, it is explained that if the company can manage, utilize, and develop its intellectual capital, the ROA will also increase. Based on the theory and the results of previous research, the proposed hypothesis is as follows:
(H2) Intellectual capital has a positive and significant effect on the company's financial performance.

RESEARCH METHOD

Design
The approach adopted in this study is causal quantitative to provide empirical evidence on the role of intellectual capital and governance in explaining the variability of corporate financial performance.

Variables and Operational Definition
This study uses three types of variables consisting of 1) dependent variable (y) represented by the company's financial performance 2) independent variable (x) is represented by intellectual capital (x1) and corporate governance (x2) 3) the control variable in this study is represented by leverage, firm size and firm age. The explanation of the three variables is as follows:

1) Financial Performance

   Financial performance in this study is measured based on the comparison between the net income obtained with the company's total assets or return on assets (ROA). This measure refers to research conducted by (Sardo, Serrasqueiro and Alves, 2018)

$$ROA = \frac{Net\ Profit}{Total\ assets}$$

2) Intellectual Capital

   Intellectual capital is proxied by value-added intellectual capital (VAIC™), which refers to research conducted by Soewarno and Tjahjadi (2020). A fundamental step to obtain value-added intellectual capital (VAIC™) is to calculate the added value element which can be generated by the company with the following mathematical equation:

$$Value\ added\ (VA) = OP + EC + D + A$$

   OP, EC, D, and A represent the value of operating profit, employee costs, depreciation value, and amortization value. Thus, value-added intellectual capital (VAIC™) consists of three main components, namely: human capital efficiency (HCE), structural capital efficiency (SCE), and capital employed efficiency (CEE) with the following mathematical equation:

$$VAIC^{TM} = HCE + SCE + CEE$$

   The second step is to calculate human capital efficiency (HCE). Human capital efficiency(HCE) is a comparison between the added value (value-added) that can be generated with total salary and wages (human capital/hc). The formula for calculating human capital efficiency (HCE) is as follows:

$$Human\ Capital\ Efficiency\ (HCE) = \frac{Value\ Added\ (VA)}{Human\ Capital\ (HC)}$$

   The third step is to calculate Structural Capital Efficiency (SCE). Structural capital efficiency is a comparison or ratio between structural capital (sc) with value-added

which can be generated. Structural capital (sc) operationally is the difference between the value-added with human capital.

$$Structural\ Capital\ (SC) = Value\ added\ (VA) - human\ capital\ (HC)$$

$$Structural\ Capital\ Efficiency\ (SCE) = \frac{Structural\ Capital\ (SC)}{Value\ Added\ (VA)}$$

The fourth step is to calculate Capital Employed Efficiency (CEE). Capital Employed Efficiency is a comparison or ratio between value-added that the company is able to produce capital employed (CE). Capital employed (CE) is represented by the total value of the company's assets. Formula to calculate capital employed efficiency (CEE) are as follows:

$$Capital\ Employed\ Efficiency\ (CCE) = \frac{Value\ Added\ (VA)}{Capital\ Emplyoed\ (CE)}$$

3) Board of Commissioners
The board of commissioners is measured by the number of members of the board of commissioners in a company.

4) Leverage
Leverage in this study was measured based on the comparison between total debt companies with total assets.

$$Leverage = \frac{Total\ Debt}{Total\ Assets}$$

5) Firm Size
Firm size in this study was measured based on the value of the natural logarithm (natural log) of the company's total assets.

6) Firm Age
Firm age in this study was measured by the year since the company was founded until 2019.

Data, Population and Sample
The type of data used in the study is secondary data sourced from annual reports companies. The population in this study were all State-Owned Enterprises (BUMN) which listing on the Indonesia Stock Exchange in 2015-2019.
This study uses a purposive sampling technique in order to obtain samples that match the criteria. The sampling criteria in this study are as follows:
a. State-owned enterprises (BUMN) that publish annual reports consistently in the research period, 2015-2019.
b. State-owned enterprises (BUMN) have complete data in accordance with governance proxied by the board of commissioners, intellectual capital and financial performance proxied by ROA continuously from 2015 to 2019.

Analysis Tools
The analytical tool is a regression with the Ordinary Least Square (OLS) method with Stata software. The regression model of this study is written as follows;

$$PRFM = \beta_0 + \beta_1 VAIC + \beta_2 CG + \beta_3 Control + \varepsilon$$

$PRFM$	: Performance
$VAIC$	: Intellectual Capital
CG	: Corporate Governance
$Control$	: Control Variable
β_0	: intercept
$\beta_0 - \beta_3$	: coefficient regression
ε	: error term

RESULTS AND DISCUSSION

Description of Research Object
This study aims to analyze the effect of Good Corporate Governance and Intellectual Capital on Financial Performance. The research object used in this study is the annual report and financial statements of state-owned companies listed on the Indonesia Stock Exchange (IDX) for the 2015-2020 period. Based on the purposive sampling method, 20 BUMN companies were obtained with a research period of 6 years, so that there were 120 research observations.

Descriptive statistics
Based on the table 1 descriptive statistics, the following is a description of each research variable:
Return on assets is a measurement of financial performance, namely net income divided by the total value of assets. From the results of descriptive statistical tests, the average ROA of state-owned companies listed on the IDX in 2015-2020 is 0.024828, with a standard deviation of 0.0639899. Where the lowest ROA is – 0.2666383 and the highest is 0.2118531.
Intellectual capital symbolized by VAIC is an intangible asset in the form of knowledge, information, skills, intellectual property, experience, and other resources that the company can use to gain profits or other benefits to achieve goals. From the results of descriptive statistical tests, the average intellectual capital of state-owned companies listed on the IDX in 2015-2020 is 26.74301. It means that the sample companies have allocated funds for intellectual capital both for physical capital, human capital and structural capital, an average of 26.74301%. The standard deviation is 64.01395. Where the lowest VAIC value is -24,37651 and the highest is 301,3913.
Corporate Governance is proxied by the Board of Commissioners, measured by the number of Board of Commissioners members in the company. Based on the results of descriptive statistics, the average number of commissioners of state-owned companies listed on the IDX in 2015-2020 is 6,375 or a total of 6 people. The standard deviation is 1.408632, where the lowest number of commissioners is three people, and the highest is ten people.

In the control variable, the average leverage of BUMN companies listed on the IDX in 2015-2020 is 0.6418149, with a standard deviation of 0.1908371. The average size of BUMN companies is 17.85786, and the standard deviation is 1.710321. While on the age variable, in 2020, the state-owned company with the highest company age is BBTN, which is 123 years. The shortest company age is the BMRI company, which is 20 years old in 2020.

Table 1. Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
ROA	120	.024828	.0639899	-.2666383	.2118531
VAIC	120	26.74301	64.01395	-24.37651	301.3913
CG	120	6.375	1.408632	3	10
LEVERAGE	120	.6418149	.1908371	.0976896	1.180077
SIZE	120	17.85786	1.710321	14.13878	21.13657
AGE	120	57.45	21.82507	17	123

Model Specification Test

There are three types of panel data regression models with STATA commonly used by researchers: Common Effect Model, Fixed Effect Model, and Random Effect Model. To determine which approach is the best, it is necessary to test the model specifications as follows,

Chow test

The Chow test is a test to determine the most appropriate Common Effect (OLS) or Fixed Effect model used in estimating panel data. The decision making criteria in the Chow test is that if the calculated F probability is less than 0.050, then the better model is the fixed effect model. If the calculated F probability is greater than 0.050, then the better model is the common effect model. Based on the Chow test, the calculated F probability value is 0.0000, so that the most appropriate model according to the Chow test calculation is the fixed effect.

Hausman test.

Hausman test is a statistical test to choose whether the Fixed Effect or Random Effect model is the most appropriate to use. The decision-making criteria are that if the probability of Chi-square is less than 0.050, then the better model is the fixed effect model. If the probability of Chi-square is greater than 0.050, then the better model is the random effect model. Hausman test results show that the probability of Chi-square is 0.0064 or less than 0.050, so that the better model is Fixed effect. Based on these two tests, the most appropriate model to use is the Fixed Effect model.

Statistical Analysis Regression Test

1) Coefficient of Determination test (R^2)

The R-square value in the statistical estimation results using the fixed effect approach is 0.34740415. These results mean that the independent variable affects 34.74% of the company's financial performance, while other variables influence the remaining 65.26% outside the variables of this study.

2) F-Statistics Test

Testing the effect of independent variables on the dependent variable as a whole or jointly carried out using the F test. From the estimated probability F results, the number 0.0007 is smaller than 0.05, meaning that with a 95% confidence level, the

variables VAIC, CG, LEVERAGE, SIZE, and AGE simultaneously have a significant effect on financial performance.

T-Statistics Test (Partial Test)

Based on the model specification test, the most appropriate model is the fixed effect model. However, the classical assumption test was not met in this study, so a robust standard error was used to overcome it. The test results can be seen in table 2

Table 2. Fixed Effect Model Regression

ROA	Coef.	Robust Std. Err.	t	P>|t|	[95% Conf. Interval]	
VAIC	.0002503	.0002461	1.02	0.322	-.0002647	.0007653
CG	.0034645	.0044601	0.78	0.447	-.0058707	.0127997
LEVERAGE	-.1910093	.0726209	-2.63	0.016	-.3430066	-.039012
SIZE	-.0301024	.0217907	-1.38	0.183	-.075711	.0155061
AGE	.0006536	.0035994	0.18	0.858	-.00688	.0081871
_cons	.6186582	.2114357	2.93	0.009	.1761182	1.061198

Based on the test results in the table 2, the regression equation becomes:

ROA=0,6186582+0,0002503VAIC+0,0034645CG-0,1910093LEVERAGE-0,0301024SIZE+0,0006536AGE+ε

Corporate Governance (CG) on Financial Performance (ROA)

The regression results found that with a significance level of 95% (α=5%), the CG variable has a p-value t stat of 0.322 > 0.05, then H1 is rejected, meaning that the CG variable is partial does not have a significant effect on ROA. The regression coefficient of the CG variable is positive at 0.0034645, meaning that the effect of the CG variable on ROA is positive.

Intellectual Capital (VAIC) on Financial Performance (ROA)

From the regression results, it was found that with a significance level of 95% (α = 5%), the VAIC variable has a p-value t stat of 0.322 > 0.05, then H2 is rejected. It means that the VAIC variable does not have a significant effect on ROA. The regression coefficient of the VAIC variable is positive at 0.0002503, meaning that the effect of the VAIC variable on ROA is positive.

Control variables (LEVERAGE, SIZE, AGE) on Financial Performance (ROA)

The regression results found that with a significance level of 95% (α = 5%), the LEVERAGE variable had a p-value t stat of 0.016 < 0.05, meaning that the LEVERAGE variable partially had a significant effect on ROA. On the other hand, while the SIZE and AGE variables have a p-value t stat of more than 0.05, the SIZE and AGE variables partially have no significant effect on ROA.

Discussion

The Effect of Corporate Governance (CG) on Financial Performance (ROA)

The results of this study indicate that Corporate Governance, as proxied by the number of members of the board of commissioners, has no significant effect on the BUMN financial performance. The results in this study are in line with the research conducted by Ariantini et al. (2017), which states that Corporate Governance has no

significant effect on the company's financial performance. However, the results in this study are not in line with research conducted by Pratama (2015), which states that Corporate Governance has a significant effect on the company's financial performance.

The results of this study indicate that the number of the board of commissioners members does not affect the BUMN's performance. However, this study shows that the more the number of board of commissioners members, the more disagreement between the board of commissioners will arise. As a result, the board of commissioners will find it increasingly difficult to carry out their roles, including difficulties in supervising and controlling management actions and difficulties in making decisions that are useful for the company.

The Effect of Intellectual Capital (VAIC) on Financial Performance (ROA)

The results in this study indicate that Intellectual Capital has no significant effect on the financial performance of BUMN companies. The results in this study are in line with research conducted by Ratnasari et al. (2016), which states that corporate Governance has no significant effect on the company's financial performance. However, the results in this study are not in line with research conducted by Pratama (2015) and Ningrum (2012), which state that Intellectual Capital has a significant effect on the company's financial performance.

The amount of VAIC will not increase the company's financial performance, which is closely related to its human resources. Although companies can present financial reports with a high level of accuracy and have human resources with high capabilities, this is not a benchmark for improving financial performance. Instead, it happens because of the lack of available resources to manage the value-added that arises efficiently so that the amount of intellectual capital will not affect financial performance. So the value-added intellectual capital does not play an essential role in financial performance because there are indications of the use of physical assets (fixed), which still dominate to contribute to company performance.

CONCLUSION

Based on the results of the analysis and discussion, it can be concluded that Corporate Governance, Intellectual Capital, leverage, company size and company age simultaneously can affect the financial performance of BUMN. Partially, Corporate Governance, as proxied by the number of members of the board of commissioners, has no significant effect on the financial performance of BUMN. Therefore, it concludes that any number of members of the board of commissioners will not affect BUMN financial performance. Therefore, increasing the number of members of the board of commissioners should not be a priority for BUMN. Furthermore, Intellectual Capital has no significant effect on the financial performance of BUMN. It indicates that the use of tangible assets still dominates, so BUMN should consider and maximize the use of intellectual capital.

REFERENCES

Agustina, W., Yuniarta, G. A., & Kadek, N. S. (2015). Pengaruh Intellectual Capital, Corporate Social Responsibility dan Good Corporate Governance Terhadap Kinerja Keuangan (Studi Kasus Pada Perusahaan BUMN yang Terdaftar di BEI. Universitas Pendidikan Ganesha, 3(1), 1–11.

Al-Amameh, A. (2014). Corporate Governance, Ownership Structure and Bank Performance in Jordan. International Journal of Economics and Finance, 6(6), 6981

Ariantini, I. G. A., Yuniarta, G. A., & Sujana, E. (2017). Pengaruh Intellectual Capital, Corporate Socia Responsibility, dan Good Corporate Governance Terhadap Kinerja Perusahaan (Studi Kasus Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia Tahun 20112015). Jurnal Akuntansi, 7(1), 1–11.

https://bumn.go.id/portfolio/overview

https://economy.okezone.com/read/2020/02/05/320/2163895

Faza, M. F., & Hidayah, E. (2014). Pengaruh Intellectual Capital terhadap Profitabilitas, Produktivitas, dan Nilai Perusahaan pada Perusahaan Perbankan yang Terdaftar di Bursa Efek Indonesia (BEI). Ekbisi, VIII (2), 186–199.

Ibrahim, H., & Samad, F. A. (2011). Corporate Governance Mechanism and Performance of Public-Listed FamilyOwnership in Malaysia. International Journal of Economics and Finance 3(1), 1327

Kartika, M., & Hatane, E. S. (2011). Pengaruh intellectual capital pada profitabilitas perusahaan perbankan yang terdaftar di Bursa Efek Indonesia pada tahun 2007 - 2011. Business Accounting Review, 1(2), 14–25.

Ningrum, N. R. (2012). Analisis Pengaruh Intellectual Capital Dan Corporate Governance Terhadap Financial Performance. Diponegoro Journal of Accounting, 1(2), 1–15.

Peraturan Menteri Negara BUMN. (2011). Peraturan Menteri Negara Badan Usaha Milik Negara Nomor: Per — 01 /Mbu/2011 Tentang Penerapan Tata Kelola Perusahaan Yang Baik (Good Corporate Governance) Pada Badan Usaha Milik Negara

Prasinta, D. (2012). Pengaruh Good Corporate Governance Terhadap Kinerja Keuangan. Accounting Analysis Journal 2(1), 4-17.

Pratama, I. W. G. S., & Suputra, I. D. G. D. (2015). Pengaruh Good Corporate Governance dan Intellectual Capital pada Return on Asset. E-Jurnal Akuntansi Universitas Udayana, 2, 417–425.

Randa, Fransiskus & Solon, S, Ariyanto. 2012. Pengaruh Modal Intelektual Terhadap Nilai Perusahaan (Studi Empiris Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia). Jurnal Sistem Informasi Manajemen Dan Akuntansi. Vol.10(1): Hal. 24-27.

Ratnasari, R. B., Titisari, K. H., & Suhendro. (2016). Pengaruh Value Added Intellectual Capital, GCG, Dan Struktur Kepemilikan Terhadap Kinerja Keuangan (Studi Kasus Pada Perusahaan Manufaktur yang Terdaftar di BEI). Journal of Economic and Economic Education, 4(2), 240–257.

Sardo, F., Serrasqueiro, Z., & Alves, H. (2018). On the relationship between intellectual capital and financial performance: A panel data analysis on SME hotels. International Journal of Hospitality Management, 75(January), 67–74.

Sari, A. puspita, & Priyadi, M. P. (2017). Pengaruh Intellectual Capital dan Corporate Governance terhadap Kinerja Perusahaan. Jurnal Ilmu Dan Riset Akuntansi, 6(2008), 1–20.

Soewarno, N., & Tjahjadi, B. (2020). Measures that matter: an empirical investigation of intellectual capital and financial performance of banking firms in Indonesia. Journal of Intellectual Capital, 21(6), 1085–1106.

Tertius, M. A., & Christiawan, Y. J. (2015). Pengaruh Good Corporate Governance terhadap Kinerja Perusahaan pada Sektor Keuangan. Business Accounting Review, 3(1), 47–60.

UU No. 40 Tahun 2007 tentang Perseroan Terbatas

Wijaya, M. H. (2017). Pengaruh Intellectual Capital terhadap kinerja perusahaan otomotif di bursa efek Indonesia. Jurnal Ilmu & Riset Akuntansi, 6(No. 1).

William, Phan & Ekadjaja A. (2020). Pengaruh GCG, Struktur Kepemilikan, Modal Intelektual, Dan Financial Leverage Terhadap Kinerja Keuangan. Jurnal Multiparadigma Akuntansi Tarumanagara / Vol.2 Edisi Juli 2020: 1165 - 1174