

ABSTRACT

The objective of this research is to analyse whether intellectual capital has effect towards corporate financial performance and market value. This research uses IDX listed pharmaceutical industry from 2012 to 2015. Intellectual capital consists of three elements, Capital Employed Efficiency (CEE), Human Capital Efficiency (HCE), and Structural Capital Efficiency (SCE). Intellectual capital can be measured by using VAIC™, which summarize those three elements.

Data collected from corporate's website and IDX, as a secondary data. This research uses data panel regression analysis, then results simultanoeous and partial test result.

This research result is intellectual capital has no significant effect towards corporate financial performance and market value. Partially, CEE has effect towards corporate financial performance and market value, HCE has effect towards corporate market value, and SCE has effect towards corporate financial performance.s

Keywords: intellectual capital, VAIC™, Capital Employed Efficiency, Human Capital Efficiency, Structural Capital Efficiency, financial performance, market value