

ABSTRACT

The financial performance of a company is expected to be able to find weaknesses and strengths by using the information presented in the financial statements so that the assessment of the results of the company's activities in generating profits is important for various interested parties such as investors or internal companies in making decisions.

In this study, the dependent variable used is financial performance as a proxy for ROA and the independent variables used are intellectual capital, company size, and leverage. So this study aims to analyze the effect of intellectual capital, company size, and leverage on financial performance.

The research method used is panel data regression analysis. The sample selection technique used the purposive sampling method and obtained 69 basic and chemical industrial sector companies listed on the IDX for the 2017-2020 period so that 276 data were obtained. However, there are 18 disturbing outlier data, so the research data used is 258 data.

The results showed that simultaneously intellectual capital, company size, and leverage had a significant effect on financial performance. Partially intellectual capital has a positive effect and leverage has a significant negative effect on financial performance. While the company size has no significant effect on the financial performance of the basic and chemical industrial sector companies listed on the IDX for the 2017-2020 period.

Further research is recommended to use the latest research object and period as well as different financial performed measurement indicators, especially those proxied by ROA. Companies are expected to provide internal evaluations in optimizing the efficiency of asset use, maximizing intellectual capital management, and balancing the use of debt in improving financial performance.

Keywords: Company Size, Financial Performance, Intellectual Capital, Leverage