

ABSTRACT

This research aims to analyze the impact of Intellectual capital (VAICTM) to firm's financial performance with Business Strategy as moderating variable. The independent variable used in this research is Intellectual Capital which is measured by VAICTM which have three components; VACA, VAHU, and STVA, while the dependent variable is Financial Performance which is measured by ROA, ATO, and GR. Business strategy is chosen as moderating variable, and is measured by EMPSAL for prospector firm and PBV for defender firms. Data used in this research are acquired from financial reports of 160 financial firms listed in BEI in time range of 2013-2015. This research analyzed the elements of VAICTM, financial performance, and business strategy by using partial least squares (PLS) as the model analysis. The result of the analysis showed that there are positive significant impact on both Intellectual Capital to Financial Performance and Business Strategy to the relationship between Intellectual Capital and Financial Performance.

Keyword: Intellectual Capital, VAICTM, financial performance, prospector, defender, financial firms, partial least squares