

ABSTRACT

The development of the banking sector has led to increasingly fierce competition, requiring each bank to maintain optimal performance. However, the data shows that the average ROA of the banking subsector experienced fluctuations during the 2019-2023 period. This condition encourages the need to optimize these factors, namely intellectual capital, public ownership, and firm size, to enhance banking performance.

This research aims to analyze the effects of intellectual capital, public ownership, and firm size on banking performance. The aspects analyzed in this research include the theoretical framework of the variables, hypothesis testing analysis, and discussion on the influence of the independent variables on the dependent variable.

The research methodology carries out a quantitative approach using panel data regression analysis and E-Views 12 software. The research data is collected from annual reports and financial statement obtained from the official banking and Indonesia Stock Exchange (IDX) websites. The research population is banking subsector companies listed on the Indonesia Stock Exchange for the period 2019-2023. The sampling technique used is purposive sampling.

Intellectual capital drives innovation in information technology systems, fosters strong relationships, and enhances operational efficiency. Share ownership in banking is predominantly dominated by controlling shareholders or institutional investors. Meanwhile, firm size increases banks capacity to manage resources and reach broader markets.

The results indicate that intellectual capital, public ownership, and firm size simultaneously affect banking performance. To a partial extent, intellectual capital and firm size have a significantly positive impact on banking performance, while public ownership has no impact on banking performance.

Keywords: Firm Size, Intellectual Capital, Banking Performance, Public Ownership