

The Influence of Intellectual Capital Disclosures on Market Capitalization Growth

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Abstract : Disclosures of Intellectual Capital (IC) is a presentation of corporate information assets that are not recorded in the financial statements. This disclosures is very helpful because it provides inform corporate assets are intangible. In the new economic era, the company's intangible assets will determine company's competitive advantage. This study aimed to examine the effect of IC disclosures on market capitalization growth. Observational studies conducted over ten years in 2002-2011. The purpose of this study was to determine the effect for last ten years. One hundred samples of the company's largest market capitalization in 2011 traced back to last ten years. Data that used, are in 2011, 2008, 2005, and 2002 Method that's used for acquiring the data is content analysis. The analytical method used is Ordinary Least Square (OLS) and analysis tools are e views 7 This software using Pooled Least Square estimation parameters are specifically designed for panel data. The results of testing analysis showed inconsistent expression levels affect the growth of the market capitalization in each year of observation. The results of this study are expected to motivate the public company in Indonesia to do more voluntary IC disclosures and encourage regulators to make regulations in a comprehensive manner so that all categories of the IC must be disclosed by the company.

Keywords : IC disclosures, market capitalization growth, analytical method, OLS

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