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The Effect of Intellectual Capital Disclosure and Enterprise Risk Management Disclosure On Firm Value with Competitive Advantage as A Mediation Variable in Banking Companies 2019-2023

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ABSTRACT : This study aims to analyze the impact of intellectual capital disclosure and enterprise risk management disclosure on firm value, with competitive advantage acting as a mediating role, in the context of banking companies listed on the Indonesia Stock Exchange during the period from 2019 to 2023. This research is categorized as quantitative research and uses secondary data from 34 conventional banking companies. The methodology applied in this study involves documentation techniques for data collection, where the financial statements and annual reports of each company serve as the primary source of information. The data obtained were analyzed using the statistical software Stata. The research findings indicate that intellectual capital disclosure has a positive and significant impact on competitive advantage. Conversely, enterprise risk management disclosure does not show a significant impact on competitive advantage. Furthermore, both intellectual capital disclosure and enterprises risk management disclosure, as well as competitive advantage, consistently contribute positively and significantly to increased firm value. However, competitive advantage does not act as a mediator in the relationship between intellectual capital disclosure and enterprise risk management disclosure on firm value.

Keywords – Intellectual Capital Disclosure, Enterprise Risk Management Disclosure, Firm Value, Competitive Advantage

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1. INTRODUCTION

The current development of technology and economic growth is increasing business competition among several companies. This causes companies to be required to continuously improve innovation to maintain corporate value (Rahayu, 2019). The phenomenon of firm value in 2023: shares of five banks in Indonesia experienced a decline, and trading closed on Tuesday (12/19/2023). BABP recorded a 38.61% year-to-date (ytd) drop in share price performance. BABP's share price closed at Rp62. DNAR's share price has decreased by 32.35% ytd, with the share price closing at Rp115. PT Bank JTrust Indonesia Tbk. (BCIC), a bank backed by a Japanese financial corporation, recorded a 32.18% ytd drop in share price performance. The bank's share price closed at Rp122. PT Bank Panin Tbk. (PNBN) is among the bank issuers with underperforming shares this year, with PNBN's share price declining 29.55% year-to-date. PNBN's share price closed at Rp1,085 (source: https://finansial.bisnis.com/read/20231220/90/1725603/deretan-saham-emiten-bank-paling-cuan-dan-boncos-sepanjang-2023). The causes of this decline are domestic, with pressure coming from the weakening of the rupiah exchange rate, the decline in public purchasing power, and changes in the new government's policies. According to Dian Ediana Rae, Chief Executive of the OJK Banking Supervisory Authority, the factors causing the decline in stock prices from internal factors include market liquidity conditions in response to the still unstable global and domestic economic situation.

The fluctuations in firm value are supported by the fluctuations in stock prices within the banking sector, which means companies must always be responsive and prepared to face unfavorable situations. The company's management's ability to handle such situations is a crucial factor in maintaining shareholder confidence and ensuring the company's survival. Intellectual capital is an additional component that can influence the increase in firm value. Companies are believed to have the ability to increase their corporate value by disclosing their intellectual capital in their annual reports. ICD is the disclosure of information about everything known by everyone working within the company, which can help the company become more competitive. Intellectual capital disclosure is a transparency method used by companies to gain trust from external parties and achieve a competitive advantage, which impacts the company's business sustainability. The Financial Services Authority (OJK) is strongly urging Indonesian banks to overcome challenges so they can compete with banks from other Southeast Asian countries when facing the ASEAN Economic Community (AEC). The creation of digital banking innovation as a form of the company's intellectual capital is one of the steps taken by Indonesian banks.

Investing in stocks carries a high risk. If capital owners choose the wrong stocks to buy, they can experience losses. Therefore, complete information from the company is required. According to (Fitriana & Purwohandoko, 2022), financial information is not sufficient to assess a company. Non-financial information should also be disclosed for use as a reference in decision-making. To reduce company risk, risk management is necessary. The size of a company's risk management (Enterprise Risk Management Disclosure) affects its value (Surenjani et al., 2023). With the disclosure of Enterprise Risk Management (ERM), investors see the seriousness in maintaining company stability. ERM disclosure impacts the increasing value of a company because it is considered capable of implementing the principle of transparency (Aldoseri, 2022). The Indonesia Stock Exchange (IDX) requires listed companies to report risk information in their annual reports. Statement of Financial Accounting Standards 60 (revised 2014)/SFAS 60 regulates how risk information is reported. Additionally, Regulations Number 17/2014, Number 1/2015, and Number 18/2016 were issued by the Financial Services Authority (OJK).

In this study, competitive advantage will be used as a mediating variable. Competitive advantage is an edge over competitors gained by having the ability to do something better. Companies that lack a competitive advantage will perform poorly and lose out to similar companies. Competitive advantages, especially those related to innovation and social responsibility, can enhance a company's reputation in the eyes of the public, government, and other stakeholders. A good reputation can attract more customers, investors, and business partners, as well as reduce risks associated with regulations and social issues, all of which contribute to increased firm value. Research by (Prajati and Purwanto, 2024), (Wijayanto et al., 2019), (Ana et al., 2021), and (Orishede, 2021) states that competitive advantage has a significant positive impact on firm value.

The research gap in this study compared to the research by (Masruroh and Hermawan, 2024) and (Listen et al., 2020) is as follows: First, in the empirical gap, the research by (Masruroh and Hermawan, 2024) shows that ICD has a positive effect on firm value and ERMD has a negative effect on firm value, while the research by (Listen et al., 2020) shows that ERMD has a significant effect on firm value and ICD does not have a significant effect on firm value. The results of the research by (Masruroh and Hermawan, 2024) and (Listen et al., 2020) still show inconsistencies. Second, in terms of population gap, the research by (Masruroh and Hermawan, 2024) uses high IC intensive companies, the research by (Listen et al., 2020) uses non-financial manufacturing companies, and this study uses banking companies. The difference between this research and the studies by (Masruroh and Hermawan, 2024) and (Listen et al., 2020) is the different research year, the use of competitive advantage as a mediating variable, and the impact of the Covid-19 pandemic from 2020-2022.

2. LITERATURE REVIEW

Stakeholder Theory

The term "stakeholder" was first introduced in 1963 by the Stanford Research Institute (SRI), which defined stakeholders as groups that can provide support for the existence of an organization (Angela & Sari, 2023). The first study to reveal stakeholders was Strategic Management: A Stakeholder Approach by Freeman (1984). According to (Budi, 2021), stakeholder theory explains the relationship between a company and its stakeholders. According to stakeholder theory, stakeholders have the right to receive information about company actions that can also impact them. Therefore, companies must consider whether or not to disclose certain information in their financial statements (Ulum et al., 2008). Compared to simple financial or economic performance, stakeholder theory emphasizes organizational accountability more than simple financial or economic performance.

Firm Value

Firm value is a specific condition achieved by a company, reflected in the market price of its shares (Rahayu and Sari, 2018). Therefore, as the stock price increases, shareholders naturally become wealthier and/or more prosperous. (Dewi and Fidhayatin, 2010).

Intellectual Capital Disclosure (ICD)

Intellectual Capital Disclosure is a form of voluntary disclosure made by companies. Companies with good performance are likely to try to communicate information about their performance to the public. This aims to allow investors and other stakeholders to reassess the company's value. Intellectual capital consists of three components: human capital, structural capital, and relational capital.

Enterprise Risk Management Disclosure (ERMD)

ERM disclosure is risk management information provided by a company that reveals its impact on the company's future. ERM plays an important role in maintaining company stability. High ERM indicates good corporate risk governance, including ensuring that the company's internal controls remain intact. High-quality ERM disclosure by a company has a positive impact on market participants' perceptions (Baxter, 2012).

Competitive Advantage

Competitive advantage serves as a strategy employed by companies to innovate, differentiating them from competitors and gaining a larger market share. Generally, competitive advantages can be identified thru several aspects, including low costs, managerial capabilities, profitability, and the profits earned as the main drivers (Fabiola and Khusnah, 2022). According to Kotler and Armstrong (2018), competitive advantage is an edge over competitors gained by offering value to consumers, either thru lower prices or by providing more benefits that support higher prices.

3. RESEARCH METHODS

The type of research used in this study is quantitative research. The data collection technique in this study is the documentation technique. Secondary data was obtained from company financial reports and annual statistical reports, which are accessible on the official IDX website. The population in this study consists of all banking companies operating in Indonesia that are listed on the Indonesia Stock Exchange from 2019 to 2023. The sampling technique in this study uses nonprobability sampling with purposive sampling, where sample selection is based on specific criteria, including: a) conventional banking companies listed on the IDX during the research period from 2019-2023. b) conventional banking companies that published annual reports and complete financial data required during the research period from 2019-2023. c) conventional banks listed on the IDX during the research period from 2019-2023. Based on these criteria, 34 companies were selected, with a total of 170 data points. The data analysis method uses Stata software.

Table 1. Operational Definitions of Variables

Variable	Indicator	Scale
ICD (X1) (Singhania and Panda, 2023)	ICD = $\frac{\sum Disclosure\ Score}{\sum Max}$	Ratio
ERMD(X2) (COSO, 2006)	ERMD = $\frac{\sum Disclosure\ Score}{\sum Max}$	Ratio
CA (Z)	ROA = $\frac{Net\ Profit}{Total\ Asset}$	Ratio
Firm Value (Y)	BV = $\frac{Total\ Equity}{Outstanding\ Shares}$ PBV = $\frac{Share\ Price}{\text{Book Value (BV)}}$	Ratio

4. RESULT AND DISCUSSION

Descriptive Statistics

Based on the results of descriptive statistics, there are outliers detected in the ROA and ERMD data. This outlier will later affect the average (mean) and disrupt classical assumptions. Therefore, the researchers performed natural logarithm and log10 transformations on these two variables to achieve data normality.

Table 2. Descriptive Statistics

Variabel	N	Mean	Median	Std. Dev.	Min	Max
PBV	170	1.427	0.932	1.297	.037	5.922
ICD	170	.461	0.355	.308	.045	.95
ERMD	170	.52	0.516	.257	.044	.96
ROA (Z)	170	4.169	3.738	2.813	.023	9.165

Source: Data processed by researchers, 2025.

The results of the descriptive statistical analysis of the data above show that the minimum PBV value is 0.037, obtained by BINA in 2021, while the maximum value is 5.922, obtained by BBHI in 2022. For PBV, the mean value is 1.427, the median value is 0.932, and the standard deviation is 1.297.

For ICD, the minimum value is 0.045, obtained by NISP in 2020 and 2023, while the maximum value is 0.95, obtained by NISP in 2022. For ICD, the mean value is 0.461, the median value is 0.355, and the standard deviation is 0.308.

For ERMD, the minimum value is 0.044, obtained by BDMN in 2021, while the maximum value is 0.96, obtained by BDMN in 2023 and BNLI in 2022. For ERMD, the mean value is 0.52, the median value is 0.516, and the standard deviation is 0.257.

Regarding ROA (competitive advantage) as a mediating variable, its minimum value is 0.023, obtained by BGTG in 2019, and its maximum value is 9.165, obtained by BBRI in 2022. For ROA, the mean value is 4.169, the median value is 3.738, and the standard deviation is 2.813.

Selection of Panel Data Regression Estimation Model

Chow Test

Table 3. Chow Test

F *test that all u_i=0*	4.01
p-value	0.0000
Prob > F	0.0149

Source: Data processed by researchers, 2025.

Based on the results of the Chow test, the F test value for all u_i=0 was 4.01 with a p-value of 0.0000, indicating that the Fixed Effect Model (FEM) is significantly better than the Common Effect Model (CEM).

Hausman Test

Table 4. Hausman Test

chi-squares	27.68
p-value	0.0000

Source : Data processed by researchers, 2025.

Based on the Hausman test results, the chi-square value was 27.68 with a p-value of 0.0000, indicating that the Fixed Effect Model (FEM) is significantly better than the Random Effect Model (REM).

Lagrange Multiplier (LM) Test

Table 5. Lagrange Multiplier (LM) Test

nilai $chibar^2(01)$	42.20
p-value	0.0000
Var(u) =	0

Source : Data processed by researchers, 2025.

Based on the results of the Breusch-Pagan Lagrange Multiplier (LM) test, the $chibar^2(01)$ value was 42.20 with a p-value of 0.0000, indicating that the Random Effect Model (REM) is significantly better than the Common Effect Model (CEM).

Based on the results of the three tests conducted, namely the Chow test, Hausman test, and Lagrange Multiplier test, it can be concluded that the best model to use in this study is the Fixed Effect Model (FEM).

Classic Assumption Test

According to Verbeek (2000), Gujarati (2003), Wibisono (2005), and Aulia (2004:27) in the book Ajija et al. (2011:52), it is concluded that "Another advantage of panel data is that it does not require testing for classical assumptions," so panel data does not need to be tested for classical assumptions such as normality or autocorrelation.

- Multicollinearity Test

Model 1 ROA (Y), ICD (X1), ERMD (X2)

Table 6. Multicollinearity Test

Variable	VIF	1/VIF	Conclusion
ICD	1.02	0.975678	There is no multicollinearity
ERMD	1.02	0.975678	There is no multicollinearity

Source : Data processed by researchers, 2025.

Model 2 PBV (Y), ICD (X1), ERMD (X2), ROA (X3)

Table 7. Multicollinearity Test

Variable	VIF	1/VIF	Conclusion
ICD	1.07	0.935255	There is no multicollinearity
ERMD	1.03	0.972411	There is no multicollinearity
ROA	1.05	0.950937	There is no multicollinearity

Source : Data processed by researchers, 2025.

- Heteroskedastisity Test

Model 1 ROA (Y), ICD (X1), ERMD (X2)

Table 8. Heteroskedastisity Test

Coefficients	*Generalized least squares*
Panels	*Homoscedastic*
Correlation	*No Autocorrelation*
Conclusion	There is no heteroskedastisity

Source : Data processed by researchers, 2025.

Model 2 PBV (Y), ICD (X1), ERMD (X2), ROA (X3)

Table 9. Heteroskedastisity Test

Coefficients	*Generalized least squares*
Panels	*Homoscedastic*
Correlation	*No Autocorrelation*
Conclusion	There is no heteroskedastisity

Source : Data processed by researchers, 2025.

Multiple Linear Regression

Model 1 ROA (Y), ICD (X1), ERMD (X2)

Table 10. Multiple Linear Regression

$ROA = \alpha + \beta_1 ICD\square + \beta_2 ERMD\square + e$			
Variable	**Coef.**	**T**	**Sig.**
(Constant)	2.979021		
ICD	1.888126	2.81	0.006
ERMD	0.7220733	0.86	0.389
Adj R-squared	0.0377		
F	4.31	*The 0.05 level.	
Prob > F	0.01	*Depedent variable: ROA	

Source : Data processed by researchers, 2025.

Based on the test results, the following equation was obtained:

$$ROA = 2.979021 + 1.888126 + 0.7220733 + e$$

The hypothesis testing results are shown in table 10, which indicates an adjusted R-squared value of 3.77% for this research equation model. Based on the adjusted R-squared value, this means that 3.77% of ROA can be explained by variations in the independent variables consisting of ICD and ERMD.

Based on the results of the Fixed Effects Model (FEM) regression, the coefficient for Intellectual Capital Disclosure (ICD) was found to be 1.888126 with a p-value of 0.006, which is less than the significance level of 0.05. This indicates that ICD has a positive and significant effect on Competitive Advantage, which in this study is proxied by Return on Assets (ROA). Intellectual Capital Disclosure has a significant positive impact on competitive advantage because by transparently communicating intangible assets such as human capital, structural capital, and relational capital, companies can enhance their reputation, stakeholder trust, and market perception of their innovative capabilities and efficiency. According to stakeholder theory, the relationship between Intellectual Capital Disclosure and competitive advantage lies in the role of Intellectual Capital Disclosure in creating added value thru transparency, strengthening relationships with stakeholders, and enhancing corporate reputation. The results of this study are consistent with the research by Antoro et al. (2023), which states that Intellectual Capital Disclosure is a means of creating and maintaining a company's competitive advantage.

Based on the results of the Fixed Effects Model (FEM) regression, the coefficient for Enterprise Risk Management Disclosure (ERMD) was 0.7220733 with a p-value of 0.389, which is greater than the significance level of 0.05. This indicates that statistically, enterprise risk management disclosure does not have a significant effect on competitive advantage, proxied by Return on Assets (ROA). Enterprise Risk Management Disclosure (ERMD) that does not affect competitive advantage can be explained because risk management disclosures are often normative and defensive, focusing more on regulatory compliance than on creating strategic value. The results of this study are not consistent with stakeholder theory, as enterprise risk management disclosure plays an important role in creating and strengthening a company's competitive advantage. By increasing transparency, building trust, and demonstrating responsibility for risk management, companies can gain significant stakeholder support. The results of this study are not consistent with the research by Vij (2019), which states that enterprise risk management disclosure practices can reduce costs associated with business operations and facilitate competitive advantage and superior performance.

Model 2 PBV (Y), ICD (X1), ERMD (X2), ROA (X3)

Table 11. Multiple Linear Regression

$PBV = \alpha + \beta_1 ICD + \beta_2 ERMD + \beta_3 ROA + e$			
Variable	**Coef.**	**T**	**Sig.**
(Constant)	0.3659095		
ICD	0.5413025	2.06	0.041
ERMD	0.7134896	2.25	0.026
ROA	0.067763	2.07	0.040
Adj R-squared	0.099		
F	7.25	*The 0.05 level.	
Prob > F	0.00	*Depedent variable: PBV	

Source : Data processed by researchers, 2025.

Based on the test results, the following equation was obtained:

$$PBV = 0.3659095 + 0.5413025 + 0.7134896 + 0.067763 + e$$

The hypothesis testing results are shown in table 11, which indicates an adjusted R-squared value of 9.99% for this research equation model. Based on the adjusted R-squared value, this means that 9.99% of PBV can be explained by variations in the independent variables consisting of ICD, ERMD, and ROA.

Based on the results of the Fixed Effects Model (FEM) regression, the coefficient for Intellectual Capital Disclosure (ICD) was found to be 0.5413025 with a p-value of 0.041, which is below the significance level of 0.05. This indicates that intellectual capital disclosure has a positive and significant effect on firm value, measured using Price to Book Value (PBV). This means that banking investors in Indonesia are already starting to focus on intangible assets. Therefore, investors are not only looking at physical assets but also at the intangible assets held by companies. Thus, the existence of intellectual capital disclosure is already considered by investors as a factor in their investment decisions in the company. In stakeholder theory, Intellectual Capital Disclosure (ICD) is an important method for increasing transparency and accountability in the relationship between a company and its stakeholders. Intellectual Capital Disclosure provides stakeholders with deeper information about intangible assets such as knowledge, innovation, relationships, and reputation that affect a company's performance and sustainability. Thus, companies that effectively manage and disclose their intellectual capital can build trust, improve stakeholder relationships, and ensure better and more sustainable decisions in the future. The results of this study are consistent with the research by Fitriya et al. (2024), which states that Intellectual Capital Disclosure affects firm value with a significance level of 0.006 < 0.05.

Based on the results of the Fixed Effects Model (FEM) regression, the Enterprise Risk Management Disclosure (ERMD) variable has a coefficient of 0.7134896 with a p-value of 0.026, which is less than the significance threshold of 0.05. This indicates that enterprise risk management disclosure has a positive and significant effect on firm value measured by PBV. According to stakeholder theory, enterprise risk management disclosure plays a significant role in increasing firm value. This is due to its ability to demonstrate corporate responsibility, transparency, and accountability to all stakeholders, not just shareholders. By explaining how companies identify and manage risks, enterprise risk management disclosure contributes to reducing information asymmetry, increasing investor confidence, and strengthening the company's reputation. Additionally, this disclosure can also foster more harmonious relationships with various stakeholders, including regulators, creditors, and the general public. The increasing trust and support from these stakeholders are expected to ultimately have a positive impact on market perception and drive an increase in firm value. The results of this study are consistent with the research by Wibisono and Prabowo (2024), which states that enterprise risk management disclosure has a significant positive effect on fimr value.

Based on the results of the Fixed Effects Model (FEM) regression, the competitive advantage variable, proxied by Return on Assets (ROA), has a coefficient of 0.067763 with a p-value of 0.040, which is below the 0.05 significance level. This indicates that competitive advantage has a positive and significant effect on firm value measured by PBV. Competitive advantage has a positive and significant impact on firm value because the company's ability to create higher value than its competitors allows for sustainable profitability and a strong market position. Unique assets, capabilities, and strategies such as innovation, operational efficiency, product quality, or customer loyalty become the main sources of added value for the company. According to stakeholder theory, competitive advantage directly contributes to increasing firm value thru several mechanisms related to meeting the interests of various stakeholders. With a competitive advantage, companies can build stronger relationships with suppliers thru mutually beneficial cooperation. For example, innovations in the supply chain that reduce costs or improve efficiency can benefit suppliers, strengthen partnerships, and create long-term value for the company. The results of this study are consistent with the research of (Prajati and Purwanto, 2024), (Wijayanto et al., 2019), (Ana et al., 2021), and (Orishede, 2021), which states that competitive advantage has a significant positive impact on firm value.

Competitive Advantage mediates the relationship between Intellectual Capital Disclosure and Firm Value

$$z - value = \frac{a\,.b}{\sqrt{b^2\,.s_a^2 + a^2\,.s_b^2}}$$

$$a = 1.881,\ b = 0.055,\ s_a^2 = 0.672,\ s_b^2 = 0.033$$

$$z - value = 1.432$$

Based on the results of the mediation test calculation using the Sobel formula, the z-value obtained is 1.432, which is used to test the significance of the indirect effect between Intellectual Capital Disclosure (ICD) and firm value thru competitive advantage. This z-value is below the critical limit of 1.96 at a significance level of 5%, which means the mediation effect is not statistically significant. Competitive advantage cannot mediate the relationship between intellectual capital disclosure and firm value because intellectual capital disclosure does not effectively reflect the company's competitive advantage. This can happen when the information in the intellectual capital disclosure is standard, symbolic, or only intended to fulfilll reporting obligations, thus not showing any real differentiation that can enhance the company's competitiveness. The results of this study are not in line with stakeholder theory. Intellectual Capital Disclosure (ICD) reflects the company's responsibility to provide relevant and transparent information to all stakeholders. This is particularly important in the context of intangible assets, which include knowledge, innovation, and organizational competencies. This clear and open information delivery contributes to increased trust and a positive perception of the company among stakeholders. Furthermore, this can facilitate the creation of competitive advantage thru the presence of unique and difficult-to-imitate intellectual resources.

Competitive Advantage mediates the relationship between Enterprise Risk Management Disclosure and Firm Value

$$z - value = \frac{a\,.\,b}{\sqrt{b^2\,.\,s_a^2 + a^2\,.\,s_b^2}}$$

$$a = 0.722,\ b = 0.063,\ s_a^2 = 0.836,\ s_b^2 = 0.033$$

$$z - value = 0.787$$

Based on the results of the mediation test calculation using the Sobel formula, a z-value of 0.787 was obtained, which was used to assess the significance of the indirect effect between Enterprise Risk Management Disclosure (ERMD) and firm value thru competitive advantage. This z-value is far below the critical limit of 1.96 at a significance level of 5%, indicating that the mediation effect is not statistically significant. Competitive advantage cannot mediate the relationship between enterprise risk management disclosure (ERMD) and firm value because risk management disclosure does not provide strategic information capable of creating differentiation or competitive advantage. This occurs when enterprise risk management disclosures are prepared solely to meet regulatory compliance and are generic, without reflecting the company's effectiveness in proactively identifying, managing, and responding to risks. The results of this study are not in line with stakeholder theory, as the relationship between Enterprise Risk Management Disclosure (ERMD) and firm value can be mediated by competitive advantage. Clear disclosure about how a company manages risk allows the company to reduce uncertainty and maintain a better position in the market. The competitive advantage gained thru good risk management ultimately increases the company's value in the eyes of investors and other stakeholders.

5. CONCLUSION

Based on the discussion that has been outlined, it can be concluded that: 1. Intellectual Capital Disclosure has a positive and significant effect on Competitive Advantage. 2. Enterprise Risk Management Disclosure does not affect Competitive Advantage. 3. Intellectual Capital Disclosure has a positive and significant effect on Firm Value. 4. Enterprise Risk Management Disclosure has a positive and significant effect on Firm Value. 5. Competitive Advantage has a positive and significant effect on Firm Value. 6. Competitive Advantage cannot mediate the effect of Intellectual Capital Disclosure on Firm Value. 7. Competitive Advantage cannot mediate the effect of Enterprise Risk Management Disclosure on Firm Value.

Based on the results of this study, the researcher has several limitations in conducting the research, including the following: 1. The proxy for Competitive Advantage in this study uses Return On Asset. It is hoped that future researchers can use other proxies for Competitive Advantage beside Return On Asset, for comparison and expansion of the study. 2. The number of observation data used in this study is only five years. For research with an observation period of five years, this is considered short, resulting in findings that are also useful for a relatively short time. 3. The results of this study show that the independent variables influence the dependent variable by 3.77% and 9.99%, while the remaining 96.23% and 90.01% indicate the presence of other variables that can influence firm value.

The following suggestions can be given to future researchers: 1. The Competitive Advantage variable can be measured using other proxies such as Asset Turnover Ratio (ATO) or Asset Utilization Capability (AUC). 2. Future researchers can try to increase the sample size or observation data. 3. Future researchers are expected to explore other variables that influence firm value to obtain better research results.

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