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The Influence of Good Corporate Governance and Intellectual Capital on Organizational Performance in Mining Sector Companies Listed on the IDX for the 2020-2024 Period

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ABSTRACT

In the era of intensifying global competition, companies in the Indonesian mining sector face mounting pressure to enhance organizational performance to maintain their market position and ensure long-term sustainability. The mining sector plays a crucial role in Indonesia's economy, contributing significantly to national GDP, yet it faces unique challenges including commodity price volatility, stringent regulatory requirements, and increasing demands for sustainable business practices. This study examines the influence of Good Corporate Governance and Intellectual Capital on Organizational Performance in Mining Sector Companies Listed on the IDX for the 2020-2024 Period. Survey data from 41 HR managers in IDX-listed mining companies were analyzed using multiple regression analysis. The results reveal that both GCG (β=0.291, p=0.001) and IC (β=0.264, p=0.001) have significant positive effects on organizational performance, explaining 55% of the variance in performance outcomes (R^2=0.550). These findings confirm that applying good GCG principles and optimally managing IC contribute substantially to operational efficiency and competitive advantage. This research makes both practical and theoretical contributions by demonstrating the critical importance of implementing GCG and developing IC for companies seeking to improve performance and competitiveness amid industry challenges in the resource-intensive mining sector.

KEYWORDS *Good Corporate Governance; Intellectual Capital; Organizational Performance*

INTRODUCTION

In the era of globalization and increasingly fierce business competition, companies must improve their operational effectiveness and efficiency to maintain their existence and expand market share. Organizational performance serves as the main indicator for assessing the success of resource management and managerial decision-making (Wahyuni, 2025). Companies apply various strategies and approaches to achieve sustainable competitive advantage.

The mining sector is one of the leading sectors in the Indonesian economy, making a significant contribution to the national Gross Domestic Product (GDP). In the third quarter of 2023, the mining and quarrying subsector grew by 7.35% (yoy), higher than the national GDP growth of 4.94% (BPS, 2023; bps.go.id). However, behind this growth, the mining industry faces challenges from fluctuations in commodity prices that affect operational stability and investment decisions (Hirlekar, 2025). Government regulatory pressures — such as proposals to revise mining law frameworks and royalty structures — further complicate the sector's landscape and can influence production and investment plans (Reuters, 2025). Environmental issues also pose serious concerns, with studies highlighting negative impacts including soil degradation, water pollution, and ecosystem damage that require mitigation strategies and stronger oversight (Samosir, 2025). At the same time, demands for sustainable and responsible business practices, including Environmental, Social, and Governance (ESG) disclosures and green mining strategies, are increasingly emphasized in academic research as

essential for the long-term resilience of mining companies and alignment with broader sustainability goals (Sanga et al., 2025). Balancing economic contribution with environmental protection and regulatory compliance remains a central challenge for Indonesia's mining sector going forward (Umar et al., 2025).

Based on industry projections and the latest reports, Indonesia's mining sector in 2025 shows a positive growth trend. Several large mining companies experienced an increase in annual revenue (YoY) in the range of 5–8%, with stable net profit margins between 12–15%. This reflects operational efficiency and cost-structure optimization amid strong global demand for commodities such as nickel and copper. This performance was also driven by strategies to diversify export markets and adopt technology in production processes (www.id.crifasia.com).

In addition, production volumes of key minerals such as nickel and copper increased by about 6%, mainly due to expansions in processing facilities and smelter capacity. For example, PT Amman Mineral and PT Freeport Indonesia have significantly expanded their smelters, which will begin full operations in 2025. These expansions support the government's target of promoting downstream mining industry development, as well as strengthening the global competitiveness of national mining companies (www.spglobal.com).

However, the financial performance of Indonesian mining companies remains highly volatile. IDX data from 2022–2024 reveal disparities in financial performance among companies; for instance, PT Harum Energy Tbk (HRUM) recorded a 54.5% yoy decrease in net profit, while PT Vale Indonesia Tbk (INCO) saw a 20.6% yoy increase (Publication Financial Report 2023–2024 at idx.co.id). This indicates that not all mining companies manage performance determinants optimally.

Organizational performance reflects the ability to achieve business goals efficiently and effectively (Mardini & Lahyani, 2022). It is measured not only by revenue growth but also by operational efficiency, financial stability, innovation, and stakeholder satisfaction. Optimizing organizational performance is a key determinant of business competitiveness and sustainability amid dynamic business environments (Destyasa & Bustaman, 2024).

One key factor believed to influence organizational performance is Good Corporate Governance (GCG). Good Corporate Governance (GCG) is a corporate governance system aimed at creating transparency, accountability, and responsibility in every decision-making process (Destyasa & Bustaman, 2024). Applying GCG principles improves management quality, reduces risks, and increases stakeholder trust (Shahwan & Fathalla, 2020). GCG implementation provides benefits such as lowering agency costs, reducing capital costs, accelerating decision-making to support performance improvement, and preventing abuse of authority by directors (Muis & Adhitama, 2022).

However, GCG implementation in Indonesia's mining sector is not fully optimal. The 2017 case of PT Freeport Indonesia exemplifies weak GCG principles, particularly regarding justice and responsibility toward local communities. Moreover, rampant corruption cases in public companies show that high GCG scores on paper do not always reflect field practices.

In addition to GCG, another factor influencing organizational performance is Intellectual Capital (IC), comprising intangible assets such as knowledge, employee skills, organizational systems, and external relationships (Wahyuni, 2025). In knowledge-based economies, IC serves as a strategic resource for creating innovation, increasing efficiency,

and building competitive advantages (Ananta et al., 2025). However, a PwC Indonesia study (2022) reveals that IC management in Indonesian mining companies lags, with only 27% having structured digital competency development programs despite the urgent need for digital transformation.

Previous studies show mixed findings on the influence of GCG and IC on organizational performance. Some report positive and significant associations (Shahwan & Fathalla, 2020; Destyasa & Bustaman, 2024; Indriastuti & Kartika, 2021), while others indicate insignificant or negative results (Ananta et al., 2025; November, 2024; Kurniati, 2019). These differences arise from variations in industry sectors, observation periods, measurement indicators, and analysis methods.

Moreover, most prior research focuses on banking, manufacturing, or finance sectors, while empirical studies on GCG, IC, and organizational performance in Indonesia's mining sector remain very limited. This sector has unique characteristics—such as high dependence on natural resources, environmental issues, and the need for transparent governance to prevent social conflicts—that differ from other industries.

Despite the growing literature, a significant research gap persists. Most studies concentrate on banking, manufacturing, or financial services sectors, with notably limited empirical examinations of GCG, IC, and organizational performance in Indonesia's mining sector. Yet, this sector features unique traits: high dependence on natural resources, substantial environmental and social impacts, elevated operational risks, complex regulatory requirements, and an acute need for transparent governance to avert social conflicts and maintain license-to-operate. Furthermore, the combined effect of GCG and IC in this understudied, resource-intensive, governance-critical sector remains unclear. Most studies examine these factors in isolation, overlooking potential synergistic effects. Additionally, using primary survey data from managerial perspectives in the context of Indonesia's mining sector during the 2020-2024 period—including post-COVID-19 recovery and major policy changes—offers a novel empirical contribution addressing these gaps.

Based on the theoretical foundations and empirical gaps identified, this study analyzes the influence of Good Corporate Governance (GCG) and Intellectual Capital (IC) on organizational performance in mining sector companies listed on the Indonesia Stock Exchange (IDX) during the 2020-2024 period. Specifically, the objectives are: (1) to examine the extent to which GCG influences organizational performance in Indonesian mining companies; (2) to investigate the impact of IC on organizational performance in this sector; and (3) to assess the combined explanatory power of GCG and IC in predicting organizational performance. The research problem is formulated to analyze the influence of GCG and IC individually and simultaneously on the organizational performance of mining sector companies listed on the Indonesia Stock Exchange (IDX).

This research is expected to offer theoretical benefits by enriching the literature in financial management and accounting, while strengthening understanding of theories such as agency theory and the resource-based view. Practically, the findings can guide company management in improving GCG implementation and intellectual asset management, inform investors and market analysts, and assist regulators in designing policies to promote transparency and accountability. Additionally, it provides an empirical foundation for advancing research on governance and intellectual resources.

METHOD

This study employed a quantitative approach with an associative research design to examine the relationship or influence of Good Corporate Governance (GCG) and Intellectual Capital (IC)—as independent variables—on organizational performance as the dependent variable in mining sector companies listed on the Indonesia Stock Exchange (IDX) during the 2020-2024 period. The research objects were mining sector companies selected due to their strategic role in supporting the Indonesian economy, including contributions to national GDP, foreign exchange generation through commodity exports, and facing complex challenges such as global commodity price fluctuations, regulatory pressures, and the need for high operational efficiency.

The research population consisted of mining sector companies registered and publicly listed on the IDX. The sample comprised financial statements from mining companies that met the following criteria: (1) continuous registration on the IDX for five consecutive years from 2020 to 2024, (2) issuance of complete financial statements during the period, (3) use of financial statements denominated in rupiah, and (4) availability of complete information and data aligned with the research variables. Data collection involved distributing closed questionnaires to human resources managers as respondents with relevant knowledge of GCG practices, intellectual asset management, and organizational performance, supplemented by documentation techniques using annual reports, sustainability reports, and company publications.

The questionnaire instrument utilized a 5-point Likert scale (1 = Strongly Disagree, 2 = Disagree, 3 = Doubtful, 4 = Agree, 5 = Strongly Agree), with intervals calculated as $(\mathbf{m} - \mathbf{n})/\mathbf{b}$, where $\mathbf{n} = \mathbf{1}$, $\mathbf{m} = \mathbf{5}$, and $\mathbf{b}$= number of interval classes.

Table 1. Variable Operational Definition

No	Variable	Definition	Indicator	Sample Question Items	Source	Scale
1	Good Corporate Governance (X1)	A set of rules, principles, and systems that aim to ensure the alignment of the interests of a company's stakeholders	1. Board Role Performance 2. Component Board Independence 3. Board Expertise	"The organization's board of directors approves important decisions" "The board of directors monitors the performance of the organization's management" "Most of the organization's board members have the ability to analyze financial statements"	Kaawaase et al (2021)	Likert 1-5
2	Intellectual Capital (X2)	A set of internal and external resources (HR, processes, IT-based technologies)	1. Human Capital 2. Structural Capital 3. Relational Capital	"The organization has a very competent management team" "The organization has a clear organizational structure to support the smooth	Tjahjadi et al (2022)	Likert 1-5

		that organizations use to create a competitive advantage		operation" "The organization has a good network with other companies in the industry"		
3	Organizational Performance (Y)	The end result of a series of processes and activities that the organization performs in achieving its business goals	1. Financial perspective 2. Customer perspective 3. Internal business process perspective 4. Growth and learning perspectives	"Over the past three years, the organization has experienced an increase in return on investment (ROI)" "Over the past three years, the organization has managed to acquire new customers" "Over the past three years, the organization has experienced an increase in competitiveness at the global level"	Rizky (2024)	Likert 1-5

The primary data collected were analyzed using SPSS software through several stages: (1) data quality test and classical assumption test which included normality test using the graph method or Kolmogorov/Shapiro-Wilk statistical test, multicollinearity test by calculating the Variance Inflation Factor (VIF) where the VIF value >10 indicates a multicollinearity problem, and heteroscedasticity test using the scatter plot graph method or the Glejser/Breusch-Pagan test, (2) Multiple linear regression analysis with equation model:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + e$$

Where:

- Y = Organizational Performance
- X_1 = Good Corporate Governance
- X_2 = Intellectual Capital
- α = Intercept
- β_1, β_2 = Regression coefficients
- ε = Error term

(3) a hypothesis test consisting of a simultaneous test (F test) to determine the influence of independent variables together on dependent variables with a significance level of 0.05, t-test to test the significance of the regression coefficient of each independent variable partially by comparing the calculated t-value with the t-table at $\alpha = 0.05$, and (4) the determination coefficient (R^2) to measure how much the independent variable is able to explain the variation in the dependent variable with the value of the ranges from 0-1, where the higher the R^2 value indicates the greater the ability to explain changes in organizational performance in the mining sector.

RESULTS AND DISCUSSION

Statistics Descriptive

Descriptive statistics were used to provide an overview of the respondents' responses to the variables in this study, namely good corporate governance, intellectual capital, and organizational performance. The presentation of this data aims to see the distribution of respondents' answers to each indicator in the questionnaire, which is then described through mean, standard deviation, minimum value, and maximum. This information is important to know the trends of the data and strengthen further analysis, especially in testing the influence of good corporate governance and intellectual capital on organizational performance. By using a descriptive statistical approach, researchers can understand the extent of the perception of professionals in mining sector companies listed on the IDX on the implementation of good governance principles and the use of intellectual capital in improving organizational performance during the 2020–2024 period.

Table 2. Descriptive Statistical Test

Descriptive Statistics					
	N	**Minimum**	**Maximum**	**Mean**	**Hours of deviation**
X1	41	16	70	40.15	15.602
X2	41	16	75	47.15	17.372
Y1	41	11	45	28.37	10.582
Valid N (listwise)	41				

Source: SPSS Data Processing Results (2025)

Based on the results of descriptive statistics in Table 1, it is known that the number of respondents analyzed was 41 people. The Good Corporate Governance (X1) variable has a minimum value of 16 and a maximum of 70, with a mean value of 40.15 and a standard deviation of 15.602. This shows that respondents' perception of good corporate governance practices is in the medium category, with a fairly high level of data dissemination.

Furthermore, for the Intellectual Capital (X2) variable, a minimum value of 16 and a maximum of 75 were obtained, with an average value of 47.15 and a standard deviation of 17.372. A higher average on X2 indicates that respondents tend to have a more positive perception of the use of intellectual capital in companies, although the spread is also quite large.

As for the Organizational Performance variable (Y), a minimum score of 11 and a maximum of 45 were recorded, with an average of 28.37 and a standard deviation of 10.582. This value shows that organizational performance is rated at a moderate to high level by the respondents, with relatively moderate variations in perception. Overall, these results reflect the diverse perceptions of the respondents towards the three research variables, which will then be analyzed more deeply through inferential statistical tests to determine the influence between these variables.

Data Quality Test

Before conducting further analysis, it is necessary to conduct a data quality test to ensure that the data used meets the requirements for validity and reliability. This data quality test aims to evaluate the consistency and accuracy of the data collection instruments and ensure that the

data obtained can be trusted for further analysis. In this study, a validity test was carried out to determine whether each question item was able to measure the variable in question precisely, while the reliability test was used to measure the consistency level of measurement results. The implementation of this data quality test uses the help of SPSS software to obtain objective and systematic results.

Table 3. Validity Test Results

Variable	Indicator	Sig. (2-tailed)	Conditions	Information
Good Corporate Governance **(X1)**	X1.1	.000	< 0.05	Valid
	X1.2	.000	< 0.05	Valid
	X1.3	.000	< 0.05	Valid
	X1.4	.000	< 0.05	Valid
	X1.5	.000	< 0.05	Valid
	X1.6	.000	< 0.05	Valid
	X1.7	.000	< 0.05	Valid
	X1.8	.000	< 0.05	Valid
	X1.9	.000	< 0.05	Valid
	X1.10	.000	< 0.05	Valid
	X1.11	.000	< 0.05	Valid
	X1.12	.000	< 0.05	Valid
	X1.13	.000	< 0.05	Valid
	X1.14	.000	< 0.05	Valid
Intellectual Capital **(X2)**	X2.1	.000	< 0.05	Valid
	X2.2	.000	< 0.05	Valid
	X2.3	.000	< 0.05	Valid
	X2.4	.000	< 0.05	Valid
	X2.5	.000	< 0.05	Valid
	X2.6	.000	< 0.05	Valid
	X2.7	.000	< 0.05	Valid
	X2.8	.000	< 0.05	Valid
	X2.9	.000	< 0.05	Valid
	X2.10	.000	< 0.05	Valid
	X2.11	.000	< 0.05	Valid
	X2.12	.000	< 0.05	Valid
	X2.13	.000	< 0.05	Valid
	X2.14	.000	< 0.05	Valid
	X2.15	.000	< 0.05	Valid
Organizational Performance (Y)	Y1	.000	< 0.05	Valid
	Y2	.000	< 0.05	Valid
	Y3	.000	< 0.05	Valid
	Y4	.000	< 0.05	Valid
	Y5	.000	< 0.05	Valid
	Y6	.000	< 0.05	Valid
	Y7	.000	< 0.05	Valid
	Y8	.000	< 0.05	Valid
	Y9	.000	< 0.05	Valid

Source: SPSS Data Processing Results (2025)

Based on the results of the validity test presented in Table 3, all indicators in the variables Good Corporate Governance (X1), Intellectual Capital (X2), and Organizational Performance

(Y) show a significance value (Sig. 2-tailed) of 0.000, which means it is smaller than the stipulated limit of 0.05. This indicates that all question items on the questionnaire have a significant correlation to the total score of each variable, so it can be declared valid.

Table 4. Reliability Test Results

Variabel	Cronbach`s Alpha	Criteria
Good Corporate Governance (X1)	0.993	Reliable
Intellectual Capital (X2)	0.994	Reliable
Organizational Performance (Y)	0.989	Reliable

Source: SPSS Data Processing Results (2025)

Based on the results of the reliability test presented in Table 4, all variables in this study have a very high Cronbach's Alpha value, which is above 0.70, so it can be concluded that all research instruments are classified as reliable. The Good Corporate Governance (X1) variable shows a Cronbach's Alpha value of 0.993, which indicates that the internal consistency between the question items in the variable is very good. Furthermore, the Intellectual Capital (X2) variable has a value of 0.994, which is also included in the category of very high reliability.

Similarly, the Organizational Performance variable (Y) earned a Cronbach's Alpha value of 0.989, indicating that all indicators used to measure organizational performance have a strong level of reliability. With these results, it can be concluded that all questionnaire instruments in this study can be relied upon to measure the variables studied consistently and stably, making them suitable for use in further analysis.

Classic Assumption Test

Classical assumption testing is an important stage in multiple linear regression analysis to ensure that the model used meets statistical requirements. This classic assumption test includes normality test, multicollinearity test, and heteroscedasticity test.

Normality Test

The normality test aims to find out whether the data in the regression model is normally distributed or not. This test is important because the assumption of normality is one of the conditions that must be met in classical linear regression analysis. The normality of the data is usually tested through statistical methods such as Kolmogorov-Smirnov. In this study, the normality test was carried out using the help of SPSS software, and the test results will be described in the form of a table and interpretation in the following section.

Table 5. Normality Test Results

One-Sample Kolmogorov-Smirnov Test		ABS
N		41
Normal Parameters[a,b]	Mean	5.7078
	Hours of deviation	4.11736
Most Extreme Differences	Absolute	.134
	Positive	.134
	Negative	-.087
Test Statistic		.134

Asymp. Sig. (2-tailed)	.062c
a. Test distribution is Normal.	
b. Calculated from data.	
c. Lilliefors Significance Correction.	

Source: SPSS Data Processing Results (2025)

Based on the results of the normality test shown in Table 5 using the One-Sample Kolmogorov-Smirnov Test method, it is known that the significance value of 0.062 is greater than 0.05, so it is concluded that the data is normally distributed.

Multicollinearity Test

Multicollinearity test, which aims to find out whether in the regression model there is a high linear relationship between independent variables. Multicollinearity can cause regression estimation results to be unstable and the interpretation of regression coefficients to be inaccurate. This test was carried out by looking at the Tolerance and Variance Inflation Factor (VIF) values on the SPSS output. A model is said to be free of multicollinearity if the Tolerance value is > 0.10 and the VIF value is < 10. The results of testing multicollinearity in this study will be presented and analyzed in the following section.

Table 6. Multicollinearity Test Results

Model		Collinearity Statistics	
		Tolerance	**VIF**
1	(Constant)		
	X1	.767	1.304
	X2	.767	1.304

Source: SPSS Data Processing Results (2025)

Based on the results of the multicollinearity test shown in Table 6, it can be seen that all independent variables in the regression model meet the criteria of being free from symptoms of multicollinearity. This is indicated by the Tolerance value which is entirely above the minimum limit of 0.10 and the value of Variance Inflation Factor (VIF) which is below the maximum limit of 10.

Heteroscedasticity Test

The heteroscedasticity test, which aims to find out whether in the regression model there is an inequality of variance from one residual observation to another. Heteroscedasticity can cause parameter estimation to be inefficient and statistical test results to be invalid. In this study, the heteroscedasticity test was carried out using the Glejser test, which was carried out through regression analysis with independent variables on the residual absolute value. If the significance value (Sig.) of each variable is greater than 0.05, then it can be concluded that the regression model is free of heteroscedasticity symptoms. The test results will be presented and analyzed in the following sections.

Table 7. Heteroscedasticity Test Results

Model		Sig.
1	(Constant)	.243
	X1	.266
	X2	.583

Source: SPSS Data Processing Results (2025)

Based on the results of the heteroscedasticity test shown in Table 7, it is known that the test is carried out using the Glejser test, where the indicator used is the significance value (Sig.) of each independent variable. A model is declared free of heteroscedasticity symptoms if the significance value of an independent variable is greater than 0.05. All of these significance values are well above the 0.05 threshold, so it can be concluded that there are no symptoms of heteroscedasticity in this regression model.

Analysis of the multiple linear regression

To see how much influence independent variables have on dependent variables, multiple linear regression analysis is performed. After the data is processed using SPSS, the regression results table is obtained as follows:

Table 8. Results of Multiple Linear Regression Analysis Test

Coefficientsa						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.259	3.716		1.146	.259
	X1	.291	.084	.428	3.449	.001
	X2	.264	.076	.433	3.488	.001
a. Dependent Variable: Y1						

Source: SPSS Data Processing Results (2025)

Based on the results of the multiple linear regression analysis test shown in Table 8, it is known that all independent variables (Good Corporate Governance and Intellectual Capital) have a significant influence on the dependent variable, namely Organizational Performance. From this data, the multiple linear regression equations obtained are:

Y = 4.259 + 0.291(X1) + 0.264(X2) + e

It can be interpreted as follows:

1. The Good Corporate Governance (X1) variable has a coefficient of 0.291, which means that every one unit increase in Good Corporate Governance will increase organizational performance by 0.291 units, assuming the other independent variables are fixed.
2. The Intellectual Capital (X2) variable has a coefficient of 0.264, which indicates that every single unit increase in Intellectual Capital will increase the organization's performance by 0.264 units, assuming the other variables are fixed.

Determination Coefficient Test (R Square)

The determination coefficient (R Square) test is used to measure how much of a proportion of dependent variables can be explained by independent variables in a regression model. The value of the R Square ranges from 0 to 1. The closer the number 1, the greater the model's ability to explain the variations that occur in the dependent variables. The results of the R Square test will be presented and analyzed in the following sections:

Table 9. Determination Coefficient Test Results (*R Square*)

Model Summary[b]				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.742a	.550	.527	7.280
a. Predictors: (Constant), X2, X1				
b. Dependent Variable: Y1				

Source: SPSS Data Processing Results (2025)

Based on the results of the determination coefficient test shown in Table 9, the R Square value of 0.550 was obtained. This shows that 55% of the variation that occurs in the dependent variable, namely organizational performance (Y), can be explained by independent variables, namely Good Corporate Governance (X1) and Intellectual Capital (X2). Meanwhile, the remaining 45% is explained by other factors outside the research model, such as external factors of the company, macroeconomic conditions, government regulations, and other variables that are not included in the model.

In addition, the Adjusted R Square value of 0.527 shows results relatively close to the R Square value, which indicates that the model is built quite well and does not experience overfitting despite the limited number of samples used. The standard error of the estimate value of 7,280 is also still within reasonable limits, indicating that the level of deviation of the regression model from the data is not too large. Overall, these results show that the regression model used has a strong enough explainability for variations in organizational performance in mining sector companies listed on the IDX for the 2020–2024 period.

Simultaneous Test (F Test)

The simultaneous test or F test aims to find out whether the independent variables together (simultaneously) have a significant effect on the dependent variables. In this study, the F test was used to test whether the variables of Good Corporate Governance and Intellectual Capital simultaneously have an influence on Organizational Performance in mining sector companies listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period. The test was performed with the help of SPSS software, and the results were compared with significance values ($\alpha = 0.05$) to determine whether the constructed regression model was statistically feasible. If the significance value of $F < 0.05$, then it can be concluded that the two independent variables together have a significant effect on the performance of the organization. The results of this test will be presented in the next table to support the conclusions drawn from the regression model used in this study.

Table 10. Results of Simultaneous Test (F Test)

ANOVA						
Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	2465.660	2	1232.830	23.263	.000b
	Residual	2013.853	38	52.996		
	Total	4479.512	40			
a. Dependent Variable: Y1						
b. Predictors: (Constant), X2, X1						

Source: SPSS Data Processing Results (2025)

A simultaneous test (Test F) was carried out to determine whether the independent variables, namely Good Corporate Governance (X1) and Intellectual Capital (X2) together had a significant effect on the Organizational Performance (Y) of mining sector companies listed on the IDX. Based on the results of data processing shown in Table 4.11, an F value of 23.263 was obtained with a significance value of 0.000. Because the significance value is smaller than the specified significance level (α = 0.05), it can be concluded that simultaneously Good Corporate Governance and Intellectual Capital have a significant effect on Organizational Performance. Thus, the regression model used in this study is feasible to test the relationship between these variables in the context of mining sector companies.

Hypothesis Test

Hypothesis testing is an important analytical stage in quantitative research that aims to determine the extent to which independent variables have a partial effect on dependent variables. In the context of this study, a hypothesis test was carried out to test the influence of Good Corporate Governance (X1) and Intellectual Capital (X2) on Organizational Performance (Y) in mining sector companies listed on the Indonesia Stock Exchange (IDX) for the 2020-2024 period. The test was performed using a t-test (partial) through SPSS software, where the significance value (Sig.) was compared to the established significance level (α = 0.05). The results of this test will provide information on whether each independent variable has a significant influence on organizational performance and whether the hypotheses proposed in this study can be accepted or rejected.

Table 11. Hypothesis Test Results

Coefficientsa						
Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	4.259	3.716		1.146	.259
	X1	.291	.084	.428	3.449	.001
	X2	.264	.076	.433	3.488	.001
a. Dependent Variable: Y1						

Source: SPSS Data Processing Results (2025)

Based on the results of the hypothesis test shown in Table 11, it can be concluded that:

1. The Good Corporate Governance (X1) variable has a significance value of 0.001, which is smaller than the specified significance level (α = 0.05). This shows that Good Corporate Governance has a significant effect on Organizational Performance in mining sector companies.
2. The Intellectual Capital (X2) variable also shows a significance value of 0.001, which means it is smaller than 0.05. Thus, it can be concluded that Intellectual Capital has a significant influence on Organizational Performance.

The Influence of Good Corporate Governance on Organizational Performance

Based on the results of the hypothesis test shown in Table 4.13, it is known that the Good Corporate Governance (X1) variable has a significance value of 0.001, which is smaller than the significance level (α = 0.05). Thus, the first hypothesis in this study is accepted, namely that Good Corporate Governance has a significant effect on Organizational Performance in mining sector companies listed on the Indonesia Stock Exchange (IDX) for the 2020-2024 period. These results show that the better the application of corporate governance principles, such as transparency, accountability, responsibility, independence, and fairness, the more organizational performance will improve in terms of efficiency, profitability, and competitiveness.

Theoretically, these findings can be explained through two main approaches, namely Agency Theory and Resource-Based View (RBV) Theory. Agency theory emphasizes that Good Corporate Governance is a mechanism that is able to reduce conflicts of interest between management (agents) and company owners (principals), so that decisions taken by management will be more aligned with the goal of increasing company value and operational efficiency. Meanwhile, RBV theory explains that good governance is an intangible resource that is valuable, rare, and difficult to replicate. Therefore, GCG can be a sustainable competitive advantage for organizations in improving long-term performance.

The findings of this study are in line with the results of previous research. Shahwan & Fathalla (2020) found that the aggregate corporate governance score has a significant positive impact on intellectual capital and two indicators of company performance, namely Tobin's Q and operational efficiency ratio. Furthermore, Destyasa & Bustaman (2024) also stated that Good Corporate Governance significantly increases the value of public companies in Indonesia, strengthening GCG's position as an important indicator in investment decisions. In addition, Ananta et al. (2025) prove that Good Corporate Governance has a positive and significant influence on the company's financial performance, even though it is not through leverage as an intervening variable. These results support the conclusion that effective GCG implementation is one of the key keys to improving overall organizational performance, especially in the mining sector which has high risk and regulatory characteristics.

The Influence of Intellectual Capital on Organizational Performance

Based on the results of the hypothesis test, the Intellectual Capital variable (X2) showed a significance value of 0.001 which was smaller than the significance level of 0.05. This indicates that Intellectual Capital has a significant effect on Organizational Performance. Thus, the hypothesis that there is a positive and significant influence between Intellectual Capital on Organizational Performance is accepted. This means that the higher the management and

utilization of an organization's intellectual capital, such as human resource competence, organizational systems, and external relations, the higher the performance achieved by the organization. This positive influence shows that Intellectual Capital is one of the strategic assets that is able to encourage competitive advantage and operational efficiency in the organization.

The theoretical support for these results can be explained through Agency Theory and the Resource-Based View (RBV). In the perspective of Agency Theory, effective management of Intellectual Capital reflects better supervision and control over the performance of agents (management) by the principal (owner), thereby minimizing conflicts of interest and encouraging the achievement of organizational goals. Meanwhile, RBV Theory views Intellectual Capital as a strategic resource that is unique, not easy to imitate, and of high value. The three components of IC are human capital, structural capital, and relational capital, if managed optimally, will create organizational capabilities that are difficult for competitors to imitate, which ultimately has a positive impact on the achievement of superior organizational performance.

The results of this study are also strengthened by several previous studies. A study by Tjahjadi et al. (2024) found that Intellectual Capital has a positive influence on organizational performance, where open innovation is an important mediator in the relationship. Similarly, Destyasa & Bustaman (2024) show that Intellectual Capital has a positive effect on firm value in public companies in Indonesia. In addition, Hermawan et al. (2025) also stated that Intellectual Capital makes a significant contribution to financial performance, which further increases firm value. The support of these findings confirms that the development and management of Intellectual Capital not only provide short-term operational benefits, but also creates long-term added value for the organization.

CONCLUSION

Based on the results of the analysis on the influence of Good Corporate Governance (GCG) and Intellectual Capital (IC) on Organizational Performance, it can be concluded that GCG has a positive and significant influence, where the implementation of good GCG principles contributes to operational efficiency and stakeholder trust. In addition, IC also shows a positive influence, with good management being able to create a competitive advantage and increase productivity. To improve performance, it is recommended that organizational leaders continue to consistently apply GCG principles, invest in IC development, and build mutually beneficial relationships with stakeholders. Researchers are further advised to expand the scope of the research and use a more comprehensive approach to understand the dynamics between GCG, IC, and Organizational Performance.

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