

THE INFLUENCE OF INSTITUTIONAL OWNERSHIP, INTELLECTUAL CAPITAL, AND SALES GROWTH ON THE FINANCIAL PERFORMANCE OF REAL ESTATE AND PROPERTY COMPANIES



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Abstract

This study investigates how sales growth, institutional ownership, and intellectual capital impact the financial performance of real estate and property companies listed on the Indonesia Stock Exchange (IDX) for the 2021-2024 period. The Fixed Effect Model is used to perform quantitative analysis using panel data regression. The results of the analysis show that partially institutional ownership and intellectual capital do not have a significant effect on financial performance, while sales growth has a positive and significant effect. But partially, institutional ownership and inte capital These findings show that, during the post-pandemic recovery phase, institutional ownership and intellectual capital did not have a significant influence. On the other hand, sales growth in the dense physical asset sector, such as property, is the factor that plays the most role in increasing profitability. And simultaneously, these three variables have a significant effect on financial performance. This study aims to analyze the influence of sales growth, institutional ownership, and intellectual capital on the financial performance of property and real estate companies on the IDX for the 2021–2024 period.

Keywords: Institutional Ownership, Intellectual Capital, Sales Growth, Financial Performance, Property and Real Estate

INTRODUCTION

The strategic property and real estate sector plays an important role in driving national and global economic growth. The role is related to many other industries that support it, such as finance, manufacturing, construction, and banking services, so it has a significant impact on labor absorption and economic activity. In the global industry, this field is estimated to be able to generate an average nominal return of around 7.5 percent per year for the five-year period 2024-2029 (CBRE, 2024). In addition, the property and real estate sectors help reduce development disparities between regions in Indonesia and accelerate national growth.

Operationally, the national property and real estate sector still faces a number of problems, especially rising development costs and land price volatility. Although the government has responded through stimulus policies, among others, Value Added Tax (VAT DTP) incentives, mortgage subsidies, and easing of down payment provisions. However, the resulting impact still does not meet expectations. Along with the weakening of people's purchasing power, fluctuations in mortgage interest rates, and limited increase in transaction volume, the property market recovery has been relatively slow. Bank Indonesia's Residential Property Price Survey (SHPR) data noted that residential sales growth in the first quarter of 2024 increased by 31.16 percent compared to the same period the previous year. However, in the second quarter of 2024 the growth decreased sharply to only 7.30 percent on an annual basis. This decline indicates that there is significant pressure on the property market, so it has the potential to pressure the financial performance of companies in the sector (Bank Indonesia, 2024)

Financial performance is the main indicator to assess a company's ability to optimize its resources. One of the factors that often gets attention is sales growth, because it reflects the company's ability to take advantage of market opportunities. In addition to operational factors, aspects of corporate governance and internal asset management also play an important role. Institutional ownership is often considered a supervisory mechanism that can suppress potential conflicts of interest between management and shareholders. Intellectual capital is also seen as a strategic asset that is able to create added value in the long term, especially through the use of knowledge, creativity, and improving the competence of human resources.

However, empirical findings on the relationship between institutional ownership, intellectual capital, and sales growth to financial performance in the property and real estate sectors still show mixed results. Some studies reported a strong and significant positive correlation, while others found no significant effect. On institutional ownership, intellectual capital, sales growth has a significant positive effect on financial performance (Ariansyah *et al.*, 2023; Chairunnisa & Lestari, 2024; Yuwandono & Trihastuti, 2025). However, in the findings of another study found results stating that institutional ownership, intellectual capital, sales growth has no effect on the financial performance of manufacturing companies (Rusmiati *et al.*, 2022; Sesa *et al.*, 2021; Wahyuni *et al.*, 2021). The majority of previous studies still focused on the manufacturing sector and tended to test variables separately. There is still very limited research that analyzes the simultaneous influence of institutional ownership, intellectual capital, and sales growth, especially on Indonesia's property sector during the post-pandemic recovery period (2021–2024).

Based on this background, this study aims to analyze the influence of these three factors on the financial performance of property and real estate companies listed on the Indonesia Stock Exchange, with the hope of presenting more comprehensive empirical evidence in accordance with the current industry realities.

REVIEW OF LITERATURE

Agency theory (Jensen & Meckling, 1976) describe the relationship between the owner of the company (principal) and the manager (agent). Good financial performance increases profitability and information transparency, thereby lowering agency costs (Faisal & Syafruddin, 2020). This theory highlights the importance of governance and incentives to align the interests of both parties, reduce conflict through strict supervision, and encourage managers to act on behalf of shareholders. Such alignment improves resource efficiency and financial performance, which is commonly measured by ROA.

Resource-Based View (Barney, 1991) states that the company's competitive advantage and performance are determined by the management of strategic internal resources, both tangible and intangible. Companies are seen as a unique collection of resources that, if utilized effectively, create added value and differentiation from competitors. Intellectual capital (knowledge, human resources, organizational systems, external relations) is a key resource that is difficult to replicate, so its optimization supports competitive position and financial performance (Khalifah & Khuzaeni, 2025). Sales growth also reflects the successful conversion of internal resources into sustainable economic value.

Institutional ownership serves as a supervisory mechanism that can reduce agency conflicts because institutional investors have better resources and monitoring capabilities than individual investors. is the percentage of shares owned by financial institutions, such as pension funds, insurance companies, and investment managers. Based on the perspective of Agency Theory (Jensen & Meckling, 1976), institutional investors play a role in supervising management, suppressing agency conflicts, and encouraging decision-making that is more aligned with the interests of shareholders. This mechanism has the potential to improve the company's financial performance (Alkurdi *et al.*, 2021; Lantushenko & Nelling, 2022). The supervisory function is becoming increasingly crucial, especially in the property sector which generally has long-term project risks.

Intellectual capital includes knowledge-based assets, human resources, competencies, organizational processes, and external relations. Based on RBV (Barney, 1991), companies can gain a competitive advantage through the management of strategic resources that are valuable, scarce, difficult to replicate, and support long-term excellence. Optimal management of intellectual capital can improve efficiency, innovation, and quality of decision-making, thereby having an impact on improving the company's financial performance. Intellectual capital in this study was measured using the Value Added Intellectual Coefficient (VAIC) method, developed by Pulic. VAIC measures the value-added efficiency generated by a company through three main components, namely capital employed efficiency (CEE), human capital efficiency (HCE), and structural capital efficiency (SCE). VAIC measurement shows a positive influence on the performance and value of a property company (Necib *et al.*, 2025), however, there are findings that show inconsistent relationship results, where the influence is not always significant and tends to be influenced

by the dominance of the human capital component (Castro *et al.*, 2021). Revealing that the relationship is not always consistent across sectors. This inconsistency is often due to the dominance of Human Capital (HCE) as the main driver of value, which confirms that employees' intellectual capacity has stronger leverage in creating a competitive advantage than simply owning physical assets or organizational infrastructure.

Sales growth is an increase in revenue compared to the previous period, as an indicator of market performance. Increased sales indicate that the company is able to execute its business strategy effectively, thereby increasing the company's revenue and profit potential. According to the RBV theory (Barney, 1991), this variable reflects the success of converting internal resources into economic value. Stable growth signifies operational efficiency, increased revenue, cash flow and profitability (Gunarianto *et al.*, 2023). Therefore, sales growth not only serves as an expansion metric, but is also predicted to be a major catalyst that has a positive effect on strengthening the company's overall financial performance.

As a dependent variable, financial performance describes how effectively management utilizes assets to generate profits and maintain business continuity in accordance with the interests of the company owner. These variables not only reflect the company's bottom line, but also illustrate how well the supervisory and incentive mechanisms work in aligning the interests of principals and agents. Previous research has shown that effective governance, including institutional ownership, can improve it (Alkurdi *et al.*, 2021). Thus, solid financial performance is empirical evidence of the company's success in aligning interests between principals and agents, while creating synergies between operational transparency and the achievement of long-term economic value.

RESEARCH METHOD

This study uses a quantitative approach with an associative design to objectively and quantitatively test the cause-and-effect relationship between independent and dependent variables (Sugiyono, 2019). The research population includes all property and real estate companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2024 period as many as 93 companies. The research sample was determined using purposive sampling techniques based on certain criteria, so that 64 qualified companies were obtained. The criteria include companies that are consistently registered during the research period, publish complete financial statements, and have data available for all variable research. The property and real estate sector was chosen because it has relatively high risk characteristics, requires large funding, and is very sensitive to changes in macroeconomic conditions. The data used is secondary data sourced from annual financial statements, sustainability reports, and the official database of the IDX. All data is collected through documentation techniques from previously published sources.

Data analysis was conducted using panel data regression with the help of EViews software version 13. Previously, descriptive statistics were carried out to summarize the data, namely the minimum, maximum, mean, median, and standard deviation of each variable (institutional ownership, intellectual capital, sales growth, and financial performance). These descriptive statistics help to understand the data baseline, variation rate, and value distribution over the research period (Pambuko & Masrini, 2023). Next, a model selection

test (Chow, Hausman, Lagrange Multiplier) was carried out to determine the best model between Common Effect, Fixed Effect, or Random Effect. Classical assumptions (normality, multicollinearity, heteroscedasticity, autocorrelation) were also tested so that the model met the BLUE criteria.

Conceptual Framework

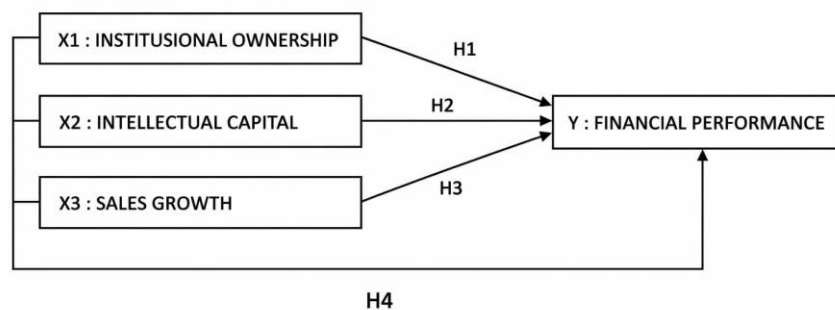


Figure 1.
Frame of Mind

This study examines the influence of institutional ownership, intellectual capital, and sales growth on the financial performance of property and real estate companies on the IDX for the 2021–2024 period. Based on previous theories and research, the hypotheses proposed are:

- H₁: Institutional ownership has a significant effect on financial performance.
- H₂: Intellectual capital has a significant effect on financial performance.
- H₃: Sales growth has a significant effect on financial performance.
- H₄: institutional ownership, intellectual capital, and sales growth has a significant effect on financial performance.

RESULTS AND DISCUSSION

The object of this research focuses on property and real estate sector companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2024 period. This sector was chosen because of its strategic role in supporting the national economic recovery post-pandemic, especially in the midst of changing market conditions and various stimulus policies from the government.

The research population includes all property and real estate companies listed on the IDX. From this population, the sample was determined using the purposive sampling technique by considering companies that remained consistently recorded throughout the observation period, did not undergo delisting, and published audited annual financial statements. In addition, the selected company must also have complete data availability for all research variables, namely institutional ownership, intellectual capital, sales growth, and financial performance.

Based on these criteria, finally 64 companies were selected as samples. The research sample includes companies with various business scales in the property industry, ranging from housing developers, commercial property managers, to related construction companies.

The observation period was carried out for four years (2021–2024) with the number of observations analyzed reaching 256 data.

The data used is secondary data obtained from the annual financial statements and sustainability reports officially published through the Indonesia Stock Exchange (IDX) website.

Statistics Descriptive

To make the archetypes and their characteristics easier to understand, descriptive statistics are used to summarize the data in a concise manner. Before proceeding to inferential analysis, the goal of the initial stage of data processing is to display raw data in a more structured form in the form of tables and graphs (Pambuko & Masrini, 2023).

Table 1.
Descriptive Statistical Results

	Institutional Ownership	Intellectual Modal	Sales Growth	Financial Performance
Mean	65,55414	11,29510	73,64021	4,490193
Median	69,73726	8,494389	8,083269	2,613351
Maximum	100,0000	104,2272	9667,050	106,4054
Minimum	12,11053	-22,31967	-193,4763	0,013999
Std. Dev.	19,94914	13,12686	618,3125	8,291031
Observations	256	256	256	256

Source: Secondary data processed Author using EViews 13 (2026)

Based on Table 1, the characteristics of data from 256 observations of property and real estate companies listed on the IDX during the 2021–2024 period. Institutional Ownership has an average of 65.55% with a standard deviation of 19.95, which indicates a relatively homogeneous data distribution. Most companies are in the dominance of institutional ownership, with values ranging from 12.11% to 100%. Intellectual Capital showed a higher variation because its standard deviation (13.13) exceeded its average value (11.30). This condition reflects a considerable difference in the efficiency of intangible assets between companies, with value ranges ranging from -22.32 to 104.23.

Sales Growth has extreme volatility (the standard deviation of 618.31 is much greater than the mean of 73.64 and the median of 8.08), with a maximum surge of 9,667.05. This phenomenon indicates a base effect, where growth jumps due to the very low value of the previous year's sales base. In addition, the surge is suspected to be triggered by the post-economic recovery rebound effect or the impact of massive business expansion that has just begun to generate significant revenue in the current year. The average Financial Performance is 4.49 with a standard deviation of 8.29, indicating profitability inequality between issuers, although the entire sample remains positive (minimum 0.014).

Panel Data Regression Model Selection Test

Chow Test Results

Chow Test used to choose between Common Effect Model (CEM) Fixed Effect Model (FEM). Hypothesis: H_0 (CEM is accepted) if Prob. Chi-square > 0.05 ; H_1 (FEM accepted) if < 0.05 (Nani, 2022).

Table 2.
Chow Test Results

Redundant Fixed Effects Tests			
Equation: REGRESI			
Test cross-section fixed effects			
Effects Test	Statistic	d.f.	Prob.
Cross-section F	1.462830	(63.189)	0.0265
Cross-section Chi-square	101.675715	63	0.0015

Source: Secondary data processed Author using EViews 13 (2026)

Prob value $0.0265 < 0.05$ reject H_0 , so FEM is more accurate than CEM due to differences in individual effects between firms.

Hausman Test Results

The Hausman test chooses between FEM and Random Effect Model (REM). Hypothesis: H_0 (REM accepted) if Prob. Chi-square > 0.05 ; H_1 (FEM accepted) if < 0.05 (Nani, 2022).

Table 3.
Chow Test Results

Correlated Random Effects - Hausman Test			
Equation: REGRESI			
Test cross-section random effects			
Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	8.271471	3	0.0407

Source: Secondary data processed Author using EViews 13 (2026)

Prob value $0.0407 < 0.05$ reject H_0 , so FEM is more precise than REM due to the correlation between individual effects and independent variables. Because FEM was consistently selected from both tests, the Lagrange Multiplier Test was not continued. The estimation model used in this study is the Fixed Effect Model.

Classic Assumptions

Normality Test

The normality test is performed to ensure the residual model is normally distributed, which is one of the main assumptions in linear regression. Testing using Jarque-Bera and histograms in EViews. Normal data if Jarque-Bera < 2 and p-value $> 0,05$ (Sugiyanto *et al.*, 2022).

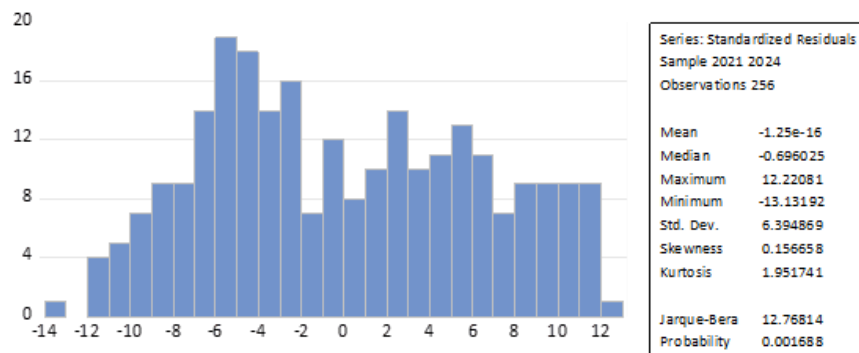


Figure 2.
Normality Test Results

The results of the initial test showed that Jarque-Bera = 12.76814 with p-value = 0.001688 (< 0.05), so the residual was abnormal (the null hypothesis was rejected). The platykurtic distribution is seen from the kurtosis of 1.951741 (far from 3).

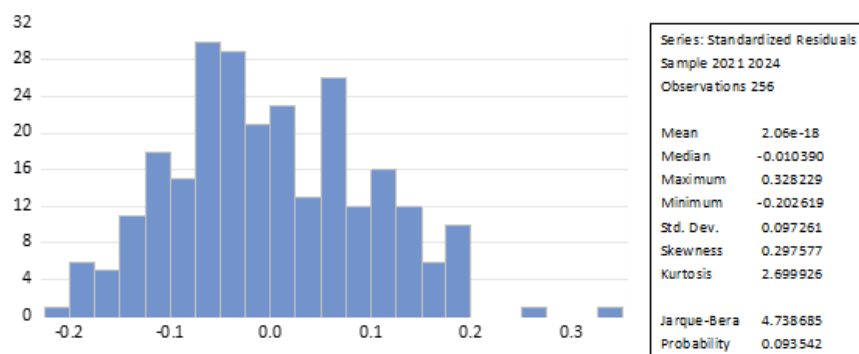


Figure 3.

Normality Test Results After Outlier

After the transformation of the data (ln), the test results showed significant improvement: Jarque-Bera = 4.738685 with p-value = 0.093542 (> 0.05), so that the residual was normally distributed (zero hypothesis accepted). The kurtosis value of 2.699926 and the skewness of 0.297577 is close to the normal distribution. Thus, the assumption of normality is fulfilled after the transformation.

Multicollinearity Test

The multicollinearity test aims to detect high correlations between independent variables. This problem is avoided because it can make the coefficient estimate inaccurate. Detection using a correlation matrix; If the coefficient > 0.90 , there is high multicollinearity

Table 4.

Multicollinearity Test Results

	Ln_Kepemilikan Institusional	Ln_Modal_ Intellectual	Ln_Pertumbuhan_ Sales
Ln_Kepemilikan_ Institusional	1,000000	0,104225	-0,021324
Ln_Modal_ Intellectual	0,104225	1,000000	0,046280
Ln_Pertumbuhan_ Sales	-0,021324	0,046280	1,000000

Source: Secondary data processed Author using EViews 13 (2026)

All correlation coefficients are well below 0.90 (maximum 0.104225), so there is no multicollinearity. This classic assumption is fulfilled.

Heteroscedasticity Test

The heteroscedasticity test checks whether the residual variance is constant (homoskedastis). If it is not constant, heteroscedasticity occurs. Testing using the Glejser method with regression absolute residual to independent variables; if p-value > 0.05 , heteroscedasticity-free model (Hamid, 2020).

Table 5.
Heteroscedasticity Test Results

Dependent Variable: ABSRESID				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1,121440	1,116343	-1,004566	0,3164
LN_KEPEMILIKAN_INSTITUSIONAL	0,210219	0,200542	1,048257	0,2959
LN_MODAL_INTELEKTUAL	-0,006133	0,015390	-0,398506	0,6907
LN_PERTUMBUHAN_PENJUALAN	-0,001110	0,008239	-0,134672	0,8930

Source: Secondary data processed by the author using EViews 13 (2026)

All p-values were above 0.05 (high of 0.8930), so independent variables did not show significant influence on absolute residuals. Thus, the model can be declared heteroscedasticity-free and meet the assumption of constant residual variance (homoscedasticity).

Autocorrelation Test

Autocorrelation testing is used to find out if there is a correlation between residuals in sequential observations, which generally appear in time series data. The test used the Durbin-Watson (d); an autocorrelation-free model if d is between dU and 4-dU (Sugiyanto *et al.*, 2022).

Table 6.
Autocorrelation Test Results

dL	4-dL	dU	4-dU	Durbin-Watson stat
1,78125	2,21875	1,81223	2,18777	2,048226

Source: Secondary data processed Author using EViews 13 (2026)

The Durbin-Watson value of 2.048226 is between dU (1.81223) and 4-dU (2.18777), so the model is free of positive or negative autocorrelations. This classic assumption is fulfilled. All classical assumption tests (normality after transformation, multicollinearity, heteroscedasticity, autocorrelation) have been met, so the regression model is feasible for further analysis.

Panel Data Regression Analysis

After the model selection test showed that the Fixed Effect Model (FEM) was the best model, and all classical assumptions (normality after transformation, multicollinearity, heteroscedasticity, and autocorrelation) were met, a regression analysis of the panel data was performed. This analysis aims to measure the direction and magnitude of the influence of independent variables (institutional ownership, intellectual capital, sales growth) on dependent variables (financial performance).

Table 7.
Regression Results of Data Panel (Fixed Effect Model)

Dependent Variable: LN KINERJA KEUANGAN
Periods included: 4
Cross-sections included: 64
Total panel (balanced) observations: 256

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	5,887425	0,348173	16,90947	0,0000
LN_KEPEMILIKAN_INSTITUSIONAL	-0,110914	0,062502	-1,774551	0,0776
LN_MODAL_INTELEKTUAL	0,000421	0,001136	0,370956	0,7111
LN_PERTUMBUHAN_PENJUALAN	0,002737	0,000824	3,322633	0,0011
Cross-section fixed (dummy variables)				
R-squared	0,898190	F-statistic		25,26354
Adjusted R-squared	0,862637	Prob(F-statistic)		0,000000

Source: Secondary data processed Author using EViews 13 (2026)

The results of the panel data regression analysis using the selected Fixed Effect Model (FEM) model, from the above results, the Adjusted R-squared value of 0.898190 shows that the research model has a very strong explanatory power. This high value indicates that the use of the Fixed Effects method in this study succeeded in capturing the specific characteristics between firms that are fixed, so that the model is able to explain the variation of dependent variables optimally. The multiple linear regression equation is as follows: The results of the panel data regression analysis using the selected Fixed Effect Model (FEM) model, from the above results, the Adjusted R-squared value of 0.898190 shows that the research model has a very strong explanatory power. This high value indicates that the use of the Fixed Effects method in this study succeeded in capturing the specific characteristics between firms that are fixed, so that the model is able to explain the variation of dependent variables optimally. The multiple linear regression equation is as follows:

$$\text{LN_KINERJA_KEUANGAN} = 5,887425 - 0,110914 \text{ LN_KEPEMILIKAN_INSTITUSIONAL} + 0,000421 \text{ LN_MODAL_INTELEKTUAL} + 0,002737 \text{ LN_PERTUMBUHAN_PENJUALAN}$$

Coefficient Interpretation

1. The constant (5.887425) is of positive value, which means that when all independent variables are zero, the financial performance is estimated to be 5.887425 units.
2. The institutional ownership coefficient (-0.110914) indicates the direction of the negative relationship. This means that every increase of 1 unit of institutional ownership is estimated to decrease financial performance by 0.110914 units, assuming other variables remain (ceteris paribus).
3. The coefficient of intellectual capital (0.000421) shows a positive relationship. Thus, every increase of 1 unit of intellectual capital is estimated to increase financial performance by 0.000421 units, assuming other variables are constant (ceteris paribus).
4. The sales growth coefficient (0.002737) also shows a positive relationship. This means that every 1 unit increase in sales growth is estimated to increase financial performance by 0.002737 units, assuming other variables remain (ceteris paribus).

Hypothesis Test

Coefficient of Determination Test

Adjusted R-squared It is at 0.862637, which indicates that 86.26% of the variation in financial performance can be explained by institutional ownership, intellectual capital, and sales growth. The remaining 13.74% was influenced by other factors outside the research model. This fairly high determination coefficient value indicates that the model has a strong level of goodness of fit (Anwar & Nursan, 2025).

T Test

The t-test is applied to assess the partial influence of each independent variable on financial performance. This test is guided by (Anwar & Nursan, 2025), which states that a variable is declared to have a significant effect if the p-value < 0.05 . The result of the p-value of Institutional Ownership was 0.0776 (> 0.05), so it was concluded that it had no significant effect on financial performance and the H_1 hypothesis was rejected. The result of the p-value of Intellectual Capital also does not have a significant effect because it is still greater than 0.05, which is 0.7111 so that the H_2 hypothesis is rejected. In contrast to the previous results, Sales Growth showed a positive and significant influence on financial performance with a p-value with a result of 0.0011 (< 0.05), so the H_3 hypothesis was accepted. Overall, these results state that only sales growth has a significant partial effect on financial performance, while other variables still do not show a significant influence.

F Test

Simultaneous tests (F-tests) are used to test the influence of independent variables together on dependent variables by comparing the probability value (p-value) to the significance level of 5%. If the p-value < 0.05 , then the null hypothesis is rejected, while if > 0.05 , it is accepted at (Anwar & Nursan, 2025). Based on Table 4.8, an F-statistic value of 25.26354 with a probability of $0.000000 < 0.05$ was obtained, so that the null hypothesis was rejected. This shows that institutional ownership, intellectual capital, and sales growth simultaneously have a significant effect on the financial performance of property and real estate companies on the IDX for the 2021–2024 period.

The Influence of Institutional Ownership on Financial Performance

The test results showed that institutional ownership had no significant effect on the financial performance of property and real estate companies (p-value = 0.0776 > 0.05). These findings indicate that the proportion of institutional shares has not yet become a determining factor for profitability in the 2021–2024 period, and has not been able to encourage effective supervision so that it does not have a direct impact on improving financial performance. Theoretically, in Agency Theory (Jensen & Meckling, 1976), institutional investors also tend to be passive and more profit-oriented in the long term, so they are not directly involved in the company's operational activities. As a result, the expected supervisory function does not run optimally, so it does not have a significant impact on the company's financial performance.

These results are in line with Rusmiati *et al.*, (2022) which states that institutional ownership has no effect because management is left entirely to management. However, contrary to Ariansyah *et al.* (2023) who find a positive influence because of the ability to suppress opportunistic behavior.

The Influence of Intellectual Capital on Financial Performance

Intellectual capital has no significant effect on financial performance ($p\text{-value} = 0.7111 > 0.05$). This condition shows that the efficiency of intangible assets, such as human capital, structural, and customer relations, has not yet become the main determinant of profitability in the property and real estate sector, which is still dominated by the use of physical assets in creating profitability. Value creation is still highly dependent on the use of physical assets, especially land tenure and building development, so the role of intellectual capital tends to be marginalized by the dominance of these tangible assets.

Resource-Based View (Barney, 1991) illustrates that in an asset-dense industry, intellectual capital has not yet become a unique resource that transcends the advantages of location. These results validate the findings of Wahyuni *et al.* (2021) intellectual capital does not have a significant impact on financial performance. Different from Yuwandono & Trihastuti (2025) which proves a significant positive influence, especially in high-tech-based industries.

The Effect of Sales Growth on Financial Performance

Sales growth has a positive and significant effect on financial performance ($p\text{-value} = 0.0011 < 0.05$). This means that the higher the sales growth, the better the financial performance of the property and real estate company. The increase in sales during the study period also reflects a recovery in the transaction volume of property units, which ultimately has an impact on the increase in net profit and operational efficiency of the company. In the Resource-Based View, according to Barney (1991), it is emphasized that sales growth can be seen as an indicator of a company's success in converting physical resources into economically valuable outputs, which ultimately forms a competitive advantage that is difficult for competitors to replicate.

These findings are consistent with the study of Chairunnisa & Lestari (2024) which confirms that sales growth plays an important role in increasing profitability. However, contrary to studies that state there is no significant effect on financial performance (Sesa *et al.*, 2021).

The Influence of Institutional Ownership, Intellectual Capital, Sales Growth on Financial Performance

Theoretically, significant results from simultaneous testing show that a company's financial performance is the result of an interaction between various internal factors. From the perspective of Agency Theory, institutional ownership acts as a control mechanism that can improve the effectiveness of a company's management by reducing agency conflicts between management and shareholders. At the same time, human capital and revenue growth, from a resource-based (RBV) perspective, reflect a company's ability to manage strategic resources and internal ability to create economic value. The combination of effective governance mechanisms and optimal use of internal resources creates synergies that can improve the company's financial performance more comprehensively. While each individual variable does not necessarily have a significant impact, together they explain the significant variation in a company's financial performance.

CONCLUSION

The results of this study conclude that institutional ownership, intellectual capital, and sales growth have different relationships with the financial performance of property and

real estate companies listed on the IDX during the 2021–2024 period. Partially, institutional ownership and intellectual capital did not show significant influence, so H_1 and H_2 were rejected. On the contrary, sales growth has a positive and significant effect on financial performance, so H_3 is accepted. Simultaneously, the three variables were proven to have a significant effect on financial performance, so that H_4 was accepted, with the model's ability to explain the variation in financial performance that was quite strong through the Adjusted R-squared value of 86.26%. The novelty of this study lies in the simultaneous testing of these three variables in the property and real estate sectors in the post-pandemic recovery period. The findings of the study also confirm that sales growth is the most dominant factor in driving financial performance in a physical asset-dense industry, while institutional ownership and intellectual capital have not had a significant impact. This condition indicates that market signals reflected in increased sales tend to determine the company's performance more than the internal monitoring mechanism in the recovery phase. Therefore, this research is expected to enrich the financial accounting literature in the property sector while providing practical implications for management to prioritize sales increase strategies to maintain the sustainability of company performance. In addition, the results of this research are also expected to be considered for investors and stakeholders in decision-making and policy formulation. Further research is suggested to include external variables, such as macroeconomic indicators and government policies, so that the analysis becomes richer and relevant to industry dynamics.

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