

Article

Analysis of Maximization Strategy Intangible Assets through the Speed of Innovation on Knowledge-Driven Business Performance Improvement

I Gusti Ayu Purnamawati ^{1,*} , Ferry Jie ² , Puah Chin Hong ³  and Gede Adi Yuniarta ¹¹ Faculty of Economics, Universitas Pendidikan Ganesha, Singaraja 81116, Indonesia; gdadi_ak@yahoo.co.id² School of Business and Law, Edith Cowan University, Joondalup, WA 6027, Australia; f.jie@ecu.edu.au³ Faculty of Economics and Business, Universiti Malaysia Sarawak, Kota Samarahan 94300, Malaysia; chpuah@unimas.my

* Correspondence: ayu.purnamawati@undiksha.ac.id

Abstract: This study aims to determine the effect of human capital, structural capital, and consumer capital on financial performance and moderate the speed of innovation. The type of research used in the study is quantitative—data collection techniques in distributing questionnaires measured using a Likert scale. The sampling technique used was random sampling and was determined by the slovin formula. The population in this study was MSMEs in Buleleng Regency, and the samples used in this study amounted to 392 MSMEs. Data or statistical analysis techniques in the study were considered using the Structural Equation Model with WarpPLS 5.0 software modelling. The results show that the technology and commitment variables have no significant effect on the development of religious ecotourism villages. In contrast, cultural changes significantly impact the development of religious ecotourism villages. This study uses the speed of innovation as a moderating variable, the speed of innovation is one of the essential things for MSMEs to improve financial performance. The speed of innovation supports intellectual capital, which is currently focused on knowledge-driven business to create a competitive advantage.

Keywords: intellectual capital; the speed of innovation; financial performance



Citation: Purnamawati, I Gusti Ayu, Ferry Jie, Puah Chin Hong, and Gede Adi Yuniarta. 2022. Analysis of Maximization Strategy Intangible Assets through the Speed of Innovation on Knowledge-Driven Business Performance Improvement. *Economies* 10: 149. <https://doi.org/10.3390/economies10060149>

Academic Editor: Nick Drydakakis

Received: 2 May 2022

Accepted: 10 June 2022

Published: 16 June 2022

Publisher's Note: MDPI stays neutral with regard to jurisdictional claims in published maps and institutional affiliations.



Copyright: © 2022 by the authors. Licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

1. Introduction

Financial performance can provide a tangible form in assessing whether a company is growing and developing well or not to determine the company's viability. Changes in the company's growth base from labor-based to knowledge-based lead to knowledge management that improves performance (Suseno and Pinnington 2017). Companies compete by running a knowledge-based business to use the available resources efficiently and economically.

Almost all companies now in their management develop knowledge-based business performance, which considers current assets and fixed assets as not a differentiator for competitive advantage (Nikolaou 2019). Competitive advantage in today's companies can be seen based on the knowledge and skills possessed by employees. To attract investors, the market value becomes the dominant value higher than the book value. This causes intellectual capital to be the capital that is most considered an intangible asset but can produce quality financial performance (Osinski et al. 2017). This intangible asset is not seen in traditional financial reporting, which only measures financial assets in the short term (Zambon 2017). In large companies, intangible assets have been presented and become a measurement of reporting to stakeholders and evaluating internally. In knowledge-based business, Hashim et al. (2015) said that high-quality resources are a priority for developed countries.