



THE RELEVANCE OF ACCOUNTING INFORMATION VALUE WITH HUMAN CAPITAL AS A MODERATION VARIABLE

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ABSTRACT

Introduction: The purpose of this study is to examine the influence of the value relevance of accounting information on human capital as a moderator.

Methods: This study analyzed secondary data available on the Indonesia Stock Exchange (IDX) in 2022-2023. Data analysis was performed using multiple linear regression and moderation regression supported by SPSS software.

Results: The results of this study indicate that value relevance, with profit and book value of equity indicators, significantly influences company value in the financial sector, and is reinforced by competent human capital as a moderating variable. Therefore, this study provides a new perspective by emphasizing the importance of accounting information, indicating that companies with high human capital tend to be better able to utilize accounting information to improve their performance and competitiveness. Unlike previous studies that place human capital as part of intellectual capital, this study specifically treats human capital as a moderating variable, positioning it in making important contributions to the accounting and human resource management literature, as well as practical implications for companies in managing human resources and accounting information more effectively.

INTRODUCTION

In the era of globalization and digitalization, accounting information is increasingly considered as an important value for companies. Accounting information obtained from financial statements, plays an important role in economic decision making by investors, creditors and other stakeholders. Company value is the main indicator of market evaluation, although there are various factors that affect that value that are still interesting to study.

This study aims to investigate how accounting knowledge affects book values and how human modal behavior functions as a moderating factor in the link between modal expenses and business demands. Pujiastuti, N., & Rahmawati, I. P. (2023) claim that data regarding laba and book pricing is commonly utilized to evaluate business operations based on literary analysis. Nonetheless, a lot of companies still have trouble utilizing accounting news to its full potential. This could be caused by a variety of factors, such as different accounting standards, changes in the market, or changes in the overall health of the economy. To more correctly evaluate a company's success, both indicators must be examined together.

Earnings and book value are significant elements of the significance of accounting information in the financial and investment sector. To quantify them net income and equity book value are leveraged. As claimed by Kuswanto, Agustini, and Ruwanti (2017), market value is approximated via stock price while human capital is measurement methodology is useful is because many firms still do not understand the importance of human capital value on business processes. Also, pertinent accounting information aids in strategic business planning and financial decision-making (Putri, 2025).

This study examines how the relationship between accounting information and business market value may be strengthened or weakened by human capital as a moderating variable. It is anticipated that this study's quantitative methodology and moderated regression analysis will offer fresh perspectives on how to create financial reports that are more pertinent and educational.

Over the past decade, most studies have categorized human capital as a subset of intellectual capital, without extensively examining its role as a moderating variable in the relationship between accounting information and firm value (e.g., Swartz et al., 2006; Ahmed et al., 2021; Hafiluddin & Widiastuti, 2025). Moreover, the integration of the Ohlson (1995) valuation model with portfolio return analysis remains relatively uncommon in empirical research. To address this gap, the present study adopts a novel approach by explicitly positioning human capital as a moderating factor within the Ohlson framework, offering a more comprehensive understanding of how human resources influence the value relevance of accounting information to market valuation.

In regard to the more specific role of human capital, some researchers have noted contradictions pertaining to the accounting information's value relevance. For instance, Puspa, Mivinoa, and Zaitul (2022) found that while human capital influences the relationship between process capital and stock price, it does not influence stock price directly. This suggests that there is a study deficit in the Indonesian financial sector about how human capital affects the value and usefulness of accounting data.

This study, which builds on that of Agustawan and Rasmini (2016), highlights the value of ongoing training and skill development, particularly with regard to government accounting, the availability of IT systems, and the necessity of reliable systems and structures. The impact of accounting information relevance on leverage, earnings, book value, and return on assets was examined by Valencia, Wijaya, and Meiden (2022). In a similar vein, Alifiono, Agustini, and Wardhaningrum (2022) came to the conclusion that book value and earnings significantly affect the stock prices of banking companies.

The effects of financial dataThe value relevance of accounting information fundamentally reflects the influence of financial information on investor decisions. The value and relevance of accounting information essentially reflect investor judgments. When financial statements and stock market prices have a statistically significant relationship, accounting information is deemed valuable. In this way, the market's perception and interpretation of such data are influenced by digitalization, intellectual capital, and particularly human capital.

LITERATURE REVIEW

Theoretical Framework

The ability of accounting data to represent shifts in a company's market worth, especially through metrics like profitability and book value, makes it relevant. Francis and Schipper (1999) have pointed out that when accounting data exhibits a significant correlation with stock market performance, it is deemed value-relevant. Both earnings and the book value of equity are important factors in determining a company's value, according to Ohlson's (1995) valuation methodology. Book value gives a quick overview of the company's overall financial situation, whereas earnings give information on profitability over a certain time period. Both measures are crucial parts of capital market

research since investors frequently take them into account in tandem to make a more accurate assessment of a company's success.

Human Capital Theory

Employees' knowledge, attributes, experiences, and abilities make up human capital, a subset of intellectual capital. Becker (1964) introduced human capital theory which focused on the importance of investing in education and training to increase productivity. Companies with superior human capital are more likely to succeed strategically and enhance the efficacy of financial reporting (Baharin et al., 2020).

In this study, human capital is introduced as a moderating variable. It is believed that firms with stronger workforce development frameworks will yield better performance outcomes, resulting in positive firm productivity, therefore strengthening human capital.

Signaling Theory

According to the signaling theory, which was first put forth by Spence in 1973, the knowledge asymmetry between investors and firm management is lessened when reliable signals are sent. Two instances of financial information that are thought to be important indicators are book value and earnings. But non-financial data, like the caliber of human capital, can also be a powerful market signal.

Companies with a strong human capital base are seen as more competent and reliable, which makes a positive impression on investors. This could lead to increased trust in financial reporting and better corporate valuation.

Previous Study and Hypothesis

Previous Studies

The significance of accounting data in connection to corporate value has been the subject of several earlier studies. Even though earnings and book value are commonly used to assess corporate performance, Pujiastuti and Rahmawati (2023) noted that businesses still struggle to leverage these metrics effectively. In the meanwhile, Kuswanto et al. (2017) evaluated human capital using administrative and general costs, such as salaries and benefits, as stand-ins, and looked at how they affected stock prices, which measure company value.

Human capital does not directly impact business value, but it does moderate the relationship between process capital and stock prices, according to Dwi Fitri Puspa et al. (2022). According to their findings, the influence of intangible assets on market performance might be amplified by human resources. Similar to this, Valencia et al. (2022) emphasized the significance of accounting indicators as crucial components in investor decision-making processes, including net income, book value of equity, return on assets (ROA), and leverage.

In a more sector-specific setting, Alifiono et al. (2022) confirmed the value relevance of these indicators within capital markets by showing that book value and earnings both had a considerable impact on stock prices in the Indonesian banking sector.

Despite these significant conclusions, little empirical research has examined how human capital, specifically in Indonesia's financial industry, may modify the relationship between accounting information and business value. By examining the relationship between human capital and important accounting data in determining firm valuation, this study aims to close this gap.

Hypothesis Development

The following theories are put out in light of the theoretical framework and earlier empirical research:

Value Relevance of Earnings Information

A firm's market value is largely driven by its earnings, which remain a primary indicator of financial performance. Empirical studies conducted over the past decade consistently show that reported earnings per share (EPS) significantly and positively influence stock prices across various industry settings (e.g., Mira Ismail, 2021; Taubah et al., 2024). Accordingly, investors regard EPS as a vital predictor of future firm value and often base strategic decisions—including dividend policy, investment, and taxation—on this metric.

Relevance of Book Value Information Value

Book value represents the remaining claim of shareholders to a company's assets after deducting its liabilities. Earnings and equity book value are the main factors used by valuation models like Ohlson (1995) to assess market value. In line with the Ohlson valuation theory, empirical data from Malaysia demonstrates that both EPS and BVPS

are strong stock price predictors (Gan et al., 2019). Information on equity value is crucial since it helps explain changes in market value and show a company's long-term stability and solvency (Felisita & Gantino, 2021).

H2: Book value per share (BVPS) has a positive effect on stock price.

Human Capital

Human capital, a fundamental element of intellectual capital, encompasses employees knowledge, skills, and expertise. The human capital theory human resources are strategic assets that can generate value through increased productivity and creativity (Baharin et al., 2020). This research considers human capital as a moderating variable that may amplify or diminish the association between accounting information and firm value.

H3: Human capital positively influences a company's stock price.

Human Capital Moderates The Relevance Of Earnings Per Share and Book Value

One of the main factors influencing competitive advantage is human capital. According to recent empirical data, firm-level human capital, as determined by total employee compensation as a percentage of sales, not only directly affects firm market value as indicated by Tobin's Q, but it also has the ability to mitigate the correlation between stock price and accounting indicators like EPS and BVPS (Study in Indian firms, 2021). Furthermore, advanced studies in asset pricing treat human capital as a crucial factor beyond traditional financial metrics, indicating that it could strengthen the predictive power of EPS/BVPS on market valuation (Khan et al., 2023). Additionally, the positive correlation between EPS and stock price has been consistently observed (Bansal, 2021).

H4: The impact of earnings per share on stock price is strengthened by human capital.

H5: Human capital enhances the influence of book value per share on stock price.

These theories look at the role of human capital as a moderator as well as the connection between accounting data and corporate value.

RESEARCH METHODS

The secondary data of financial sector companies listed on the Indonesian Stock Exchanges (IDX) for the years 2022 and 2023 served as the basis for this quantitative study. With human capital acting as a moderating factor, it seeks to ascertain how accounting data—specifically, EPS and BVPS—affects the company's worth. The impact of the independent variables book value per share (BVPS) and earnings per share (EPS) on the dependent variable, company value as indicated by stock price, was determined using a causal associative design. Human capital is considered a moderating variable, whereas firm size, return on assets (ROA), and leverage are control variables. The following table lists the sample criteria:

Table 1: Sample Criteria

NO	CRITERIA	AMOUNT
1	Companies from the financial sector listed on BEI in the period 2022 to 2023.	120
2	Companies which are complete and have data on the accounting information's relevance to share prices.	100
3	Companies which are complete and have data on the accounting information's relevance to share prices.	93
	Number of observation samples used	186
	Number of observations (N × 2 years)	

Source: Sample acquisition in 2022 and 2023

Teknik Analisis Data

1. Descriptive Statistical Test

Descriptive statistical analysis is an analysis that describes the results of data related to independent and dependent variables. Typically, this analysis is presented in a table that includes the minimum, maximum, average, and standard deviation values for each variable involved in the research (Sugiyono, 2018).

2. Classical Assumption Test

Multiple linear regression analysis requires the statistical assumption test known as "classical assumption testing." A regression model's residual normality, multicollinearity, autocorrelation, and heteroscedasticity are evaluated using the traditional assumption test. If a linear regression model meets some conventional criteria, such as having residual data that is normally distributed and being free of autocorrelation, heteroscedasticity, and multicollinearity, it is considered acceptable. The following traditional assumption tests are used:

Normality Test

Normality test is used to check whether the residual data in a regression model follows normal distribution and is conducted via Kolmogorov-Smirnov (K-S) test. An indirect approach is analyzing residual data and looking for outliers. Outliers are very large or very small values that affect the average of the data. Outliers can potentially result in a non normal distribution of data, therefore it is essential to determine and resolve them.

This study tests for outliers by examining the Z-score value, where outliers are classified as values with Z-score greater than 3 or below -3. Outliers, if present, can be resolved either through deletion or modification such as applying natural logarithm transformations to the data as long as the analysis remains valid. A model is deemed to satisfy normality assumption when K-S test significance value is more than 0.05, suggesting that the data is normal (Ghozali, 2016).

Multicollinearity Test

Multicollinearity testing is crucial in order to determine whether independent variables in regression analysis are substantially associated with one another—which could result in unstable and incorrect coefficient estimates. Two important indicators are usually analyzed in this test: the Variance Inflation Factor (VIF) and the Tolerance. Multicollinearity may be present if one or more independent variables are giving redundant information, as indicated by a tolerance value less than 0.10 or a VIF value greater than 10. On the other hand, multicollinearity is not an issue as each independent variable makes a distinct contribution to the explanation of the dependent variable when the tolerance value is greater than 0.10 and the VIF is less than 10.

Heteroscedasticity Test

The purpose of heteroscedasticity test is to check if there is any inequality in the variance of residuals in a given regression model. Heteroscedasticity can cause errors in hypothesis testing and reduce the effectiveness of estimate.

Autocorrelation Test

One instance is in financial econometrics, where serial independence in returns data is verified using robust autocorrelation tests, like modified portmanteau statistics (Muriel Torrero, 2020). Recently, autocorrelation in long-memory economic time series has been reexamined, with a focus on its methodological implications and persistence (Peiris & Hunt, 2023).

3. Multiple Linear Regression Test

The conducted research confirms the hypothesis that the value relevance of accounting information as an independent variable impacts firm value (as a dependent variable) with human capital serving as a moderator, which was assessed via multiple regression analysis. This method allows the calculation of human capital's impact and exactly how much of the basic regression model used is:

$$TQit = \alpha + \beta_1 \cdot EPSit + \beta_2 \cdot BVPSit + \beta_3 \cdot SizeSit + \beta_4 \cdot ROASit + \beta_5 \cdot LeverageSit + \epsilon it$$

4. Moderation Regression Test

To verify the moderating impact of human capital, interaction terms were incorporated into the following model:

$$TQit = \alpha + \beta_1 \cdot EPSit + \beta_2 \cdot BVPSit + \beta_3 \cdot SizeSit + \beta_4 \cdot ROASit + \beta_5 \cdot LeverageSit + \beta_6 \cdot HMIT + \beta_7 \cdot (EPSit \times HMIT) + \beta_8 \cdot (BVPSit \times HMIT) + \epsilon it.$$

Where:

- a. TQ_{it} : Tobin's Q ratio of the firm at time t
- b. EPS_{it} : Company i's earnings per share at time t
- c. $BVPS_{it}$: Book value per share of company i at time t
- d. $Size_{it}$: Size of company i at time t
- e. ROA_{it} : ROA of company i at time t
- f. $Leverage_{it}$: The Leverage of company i at time t
- g. HM_{it} : Human Capital company i at time t
- h. $EPS_{it} \times HM_{it}$: The financial metric of earnings per share and human capital synergistic effect
- i. $BVPS_{it} \times HM_{it}$: Synergistic effect of book value per share and human capital
- j. ε_{it} : Error term

RESULT AND ANALYSIS

Regression Approach

Descriptive Statistics

Table 2: Descriptive Statistics Test Results

Variable	Minimum	Maximum	Mean	Standard Deviation
Earnings	-466,85	983	76,0647	155,48222
Book Value	-851,49	15661,92	1247,273	2051,01855
Size	19,17	35,23	29,7972	2,72195
ROA	-0,42	0,35	0,0109	0,07699
Leverage	-0,00	1,00	0,6073	0,27786
Human Capital	0,00	0,185	0,0225	0,02534
Price	4,45	9,58	6,9839	0,96921
Valid N	186			

Source: SPSS Data Processing Results (2022 and 2023)

In Table 2, all relevant statistics for the variables of interest, including number of data points, minimum, maximum, mean, and standard deviation values, are presented. In Column N, the count of data points analyzed for each variable is given as 186. The results obtained from descriptive statistical analysis shown in Table 2 are as follows:

- The descriptive values for the independent variable, earnings per share, were as follows: a minimum of -466.85, a maximum of 983, an average of 76.0647, and a standard deviation of 155.48222. Bank Negara Indonesia (Persero) Tbk reported the highest variable earnings per share value of 983, while Provident Investasi Bersama Tbk earned the lowest result in the sample with earnings per share of -466.85.
- For independent variable Book value per share: minimum value -851.49, maximum 15,661.92, average 1,247.2731 and standard deviation 2,051.01855. The sample company with the lowest book value per share was Jakarta Onix Capital Tbk with -851.49 and highest book value per share, Paninvest Tbk with 15,661.92.
- The independent variable Size has an average and standard deviation of 29.7972 and 2.72195 respectively, with a minimum and maximum of 19.17 and 35.23. The sample company with the lowest size value is Jakarta Bank Pan Indonesia Tbk with a value of 19.17, and the company with the highest Size variable value is Bank Rakyat Indonesia at 35.23.

4. For the independent variable ROA, its average value is 29.7972 while its standard deviation is 2.72195, its minimum is -0.41527 and maximum is 0.35. The sample firm with the lowest ROA is Jakarta Danasupra Erapacific Tbk at -0.41527, and the highest is Allo Bank Indonesia Tbk at 0.35.

5. The independent variable leverage has a standard deviation of 0.27786, an average value of 0.6073, a minimum value of 0.00, and a maximum value of 1.00. With a value of 0.00 for the leverage variable, Jakarta Lenox Pacific Investama Tbk is the example firm with the lowest leverage value, while Bank Artha Graha Internasional Tbk has the highest book value variable value (0.00).

6. The moderating factor Human capital has an average of 0.0225 and a standard deviation of 0.02534, with a minimum of 0.00 and a maximum of 0.185. With a human capital valuation of 0.00, Jakarta Sinarmas Multiartha Tbk is the example firm with the lowest book value per share. Mandala Multifinance Tbk, on the other hand, had the greatest value, with a human capital variable of 0.185.

7. For stock as dependent variable, it has a minimum 4.45, maximum 9.58, average 6.9839, and standard deviation 0.96921. The company with the lowest value of stock was Jakarta Mizuho Leasing Indonesia Tbk at 4.45 and the highest value firm was SMMA at 9.58.

DATA QUALITY TEST RESULTS

Residual Data Normality Test Before Outlier Test

The One Sample Kolmogorov-Smirnov test revealed that the residual data did not follow a normal distribution, as indicated by the Asymp.Sig (2-tailed) value being less than 0.05. In this instance of non-normality, an outlier analysis is required. Below are the results of the residual data normalcy test:

Table 3: Results of Residual data Normality Test Before Outlier Test

Unstandardized Residual	
Asymp. Sig (2-tailed)	0,000

Outlier Test

The results make it abundantly evident that the residual data is not regularly distributed. Six outliers are revealed by the residual data's outlier analysis. There are 186 data points in total once the outlier test is applied. The table below shows the results of the residual data normalcy test following outlier analysis:

Table 4: Results of the Data Normality Test After the Outlier Test

Unstandardized Residual	
Asymp. Sig (2-tailed)	0,200

Over the outlier analysis, the residual normality test shows Asymp. Sig. (2-tailed) 0.200 which means that the data can be considered normally distributed, given that the data passed an outlier check. Thus, the study will rely on the results obtained after applying the outlier test. There are 186 data after the outlier test.

MULTIPLE REGRESSION ANALYSIS

Table 5: Multicollinearity Test Results

Variable	Tolerance	VIF	Conclusion
Earnings	0,557	1,794	There is no multicollinearity
Book Value	0,613	1,630	There is no multicollinearity
Size	0,542	1,846	There is no multicollinearity
ROA	0,788	1,269	There is no multicollinearity
Leverage	0,628	1,593	There is no multicollinearity
Human Capital	0,781	1,280	There is no multicollinearity

The table above shows that all variables obtained a Tolerance value > 0.10 and a VIF < 10.00 . Therefore, it can be concluded that all of the variables above do not exhibit symptoms of multicollinearity.

RESULTS OF HETEROKEDASTICITY TEST

Table 6: Result of heterokedasticity test

Variable	Significance Value	Conclusion
Earnings	0,007	Heteroscedasticity occurs
Book Value	0,494	No heteroscedasticity is present
Size	0,235	No heteroscedasticity is present
ROA	0,858	No heteroscedasticity is present
Leverage	0,957	No heteroscedasticity is present
Human Capital	0,359	No heteroscedasticity is present

Based on the table above, the sig. value of the earnings per share variable has a sign value of less than 0.05, which means there are symptoms of heteroscedasticity, while book value per share, size, ROA, leverage, and human capital have sign values greater than 0.05, which means there are no symptoms of heteroscedasticity.

AUTOCORRELATION TEST RESULTS

In a linear regression model, the autocorrelation test is used to see if the nuisance errors in period t-1 are correlated. Autocorrelation-free regression models are considered to be of high quality. The Durbin-Watson test is used in this examination.

There is no autocorrelation, and the null hypothesis is supported if $dU < d4-dU$. The following are the autocorrelation test results:

Table 7: Autocorrelation Test Results

Durbin Watson	N	dL	dU	4-dU
1,010	186	1,60	1,829	2,171

Referring to the results in the table, the Durbin Watson (DW) statistic is 1,010, which is less than the lower limit (dL) of 1,60. This indicates the presence of positive autocorrelation in the regression model. However, when comparing with the upper limit ($dU=1.829$), since the DW value falls between dU and $4 - dU$ ($1.829 < 1.820 < 2.171$), the test supports acceptance of the null hypothesis. Therefore, it can be concluded that no autocorrelation is detected in the data.

HYPOTHESIS TESTING

Multiple Regression Analysis

Table 8: Hypothesis Test Results

Variable	Coefficient Value	Standard Error	Significance	Conclusion
Earning Per Share	0,001	0,001	0,010	accepted
Book Value Per Share	0,000	0,000	0,003	accepted
Human Capital	3,042	1,212	0,015	accepted
Size	0,065	0,031	0,042	accepted
ROA	0,050	0,922	0,957	rejected
Leverage	-0,613	0,286	0,034	accepted
EPS*HC → Price	0,021	0,009	0,032	accepted
BVPS*HC → Price	0,004	0,002	0,048	accepted

DISCUSSION

Regression Equation 1

1. The Impacts of Earnings Per Share on Stock Valuation

Findings from the first hypothesis test reveal that accounting information concerning earnings has value relevance. With a 0.001 coefficient and a significance level of 0.010, earnings positively affect stock prices. This supports findings from earlier research (Ardila and Setiawan 2018). This study shows that earnings information has the ability to secrete relevant information that will impact a firm's equity value. With regard to the results computed, the significance value of the earnings per share variable was 0.010 which is less than the set significance level which means that earnings per share positively and significantly affect stock share price.

2. The Impact of Book Value Per Share on Stock Prices

Book value per share is found to be relevant in explaining stock prices, as evidenced by the results of the second hypothesis test. The analysis reveals a significance value of 0,003 with a coefficient of 0,000 for the book value variable. This suggests that book value has informational relevance in determining stock price levels. Previous research (Chasanah & Kiswara, 2017; Putri et al, 2018) supports this finding. This study shows that a stock's value may still be ascertained using information from financial statements. Instead, profit for a specific time period equal to net dividends + changes in equity book value is taken into consideration under this assumption.

3. The Influence of Human Capital on Stock Prices

The third hypothesis test concludes that human capital does not significantly influence stock prices, as the p-value exceeds 0,05. This implies that the market does not assign substantial value to the human capital component when determining company worth. Nevertheless, firms with advanced human capital systems are often perceived more positively by the market, as such systems reflect the company's intangible resources. This is in line with Almahdy et al. (2020), who argued that a company's stock performance and market valuation are often shaped by how effectively it utilizes its human resources as a strategic advantage.

4. Impact of Company Size on Stock Prices

The fourth hypothesis test's findings demonstrate the value relevance of size information. According to the study's findings, the size coefficient was 0.065 and the significance value was 0.042 (>0.05). Stock price is influenced by size. The results show that a company's market worth increases with its size, which may be partly due to the perception of the company's stability and operational capacity.

5. The Impact of ROA on Stock Performance

The study determined that the ROA parameter was 0.050 with a significance level of 0.957 (>0.05) based on the results of the fifth hypothesis test. This indicates that stock prices were not significantly impacted by firm profitability in the sample used for this investigation. This could be the result of investors not giving operational productivity top priority when making investment decisions or of the sample companies' low ROA variance.

6. The Impact of Leverage on Stock Performance

With a coefficient of -0.613 and a significance level of 0.034 (<0.05), the research findings show that the leverage parameter significantly lowers stock prices based on the results of this hypothesis test. This suggests that a capital structure with a larger percentage of debt considerably reduces business value since it is thought to raise the financial risk that the company's shareholders must bear.

Regression Equation 2

1. Impact of EPS and Human Capital on Stock Prices

With a coefficient of 0.021 and a significance value of 0.032, which is less than 0.05, the results of this study indicate that the relationship between EPS and human capital has a favorable effect on the company's stock price. In short, human capital strengthens the link between earnings per share and corporate value. These findings corroborate the signaling theory, which holds that non-financial indicators, such the caliber of human resources, can bolster financial data. The market won't readily recognize strong earnings per share if a company doesn't have faith in its human resources to manage business operations and sustain profitability.

2. The Effect of Human Capital alongside Book Value Per Share on Stocks

Therefore, with a coefficient value of 0.004 and a significance value of 0.048 (<0.05), the results of the interaction between human capital and book value per share indicate that there is a significant positive influence on firm valuation (stock price). The results clarify the connection between a company's stock price and equity book value, which can be improved by human capital. Therefore, the presence of certain detrimental characteristics, such as advanced human resources, will increase the importance of book value with regard to stock prices. In this case, having a high book value is not totally helpful; the market will use it more effectively if it is combined with quality human capital.

T-TEST AND F-TEST RESULTS

t-Test

Size, leverage, BVPS, and EPS all have a somewhat substantial impact on stock prices, according to the t-test results. Human capital, nevertheless, has no direct bearing. However, only Leverage*HC is significant in the interaction term,

indicating that human capital—rather than EPS or BVPS—effectively moderates the impact of leverage on stock prices.

f-Test

In regard to the F test results, it can be argued that the EPS, BVPS, Size, ROA, and Leverage variables all impact stock prices significantly at the same time (model significance value <0.05).

R² Determination Coefficient Test

Regression Model 1 (Regression without Moderation):

R Square (R²) value = 0.243

Discussion:

The R² value of 0.243 indicates that 24.3% of the variation in stock prices can be explained by the variables EPS, BVPS, Size, ROA, and Leverage.

Regression Model 2 (Regression with Moderation – Human Capital):

R Square (R²) = 0.282

Discussion:

After adding the moderating variable (human capital) and its interaction, the R² value increased to 0.282. This means that 28.2% of the stock price variation is explained by all variables, including human capital and its interaction. This indicates that the addition of moderating variables improves the model's ability to explain stock prices.

CONCLUSION

This is due to the fact that accounting data adds to the total worth of the business. The value relevance theory and signaling theory, which contend that financial data influences market valuation, are supported by this study. Furthermore, this study supports the idea that human capital serves as a moderating factor that improves the correlation between accounting data and firm value. Superior quality and competent human resources typically help with the understanding, administration, and dissemination of accounting data, increasing value for all parties involved. In these situations, human capital becomes more than just a business asset; rather, it becomes a strategic factor that affects how the market values the organization. These results support measures meant to encourage consistent investment in human capital.

SUGGESTION

Reflecting on previous analysis, the researcher offers several recommendations. For the company's management section, it is crucial to place emphasis on human capital development as part of enhancing strategies that increase company value. Investment in training, development, competency, and talent management are crucial in maximizing the potential of accounting information as a competitive decision-making tool. For investors, grasping the relevance of accounting information alongside human capital can greatly improve assessments of the company's long-term outlook. For academics and future researchers, the noted recommendation is to broaden the scope of research to other sectors, employ a more diverse method for measuring human capital, and use a more extensive longitudinal method to study the impacts over time. Therefore, this study can be a point of departure and a reference to develop further studies that examine extensively and profoundly the relation-ship of accounting information, human resources, and company value. One part of the conclusions is the limitations of the current research. Research limitations are the design or methodology that shape the interpretation of the findings of the study. Limitations are restrictions on the research-results applicability due to discrepancy stemming from

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