

BEYOND REPUTATION: DETERMINANTS OF FINANCIAL PERFORMANCE – EVIDENCE FROM INDONESIA STOCK EXCHANGE

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Abstract

This study aims to examine the relationship between assets, market capitalization, company reputation, and stock prices in relation to financial performance. The research sample consisted of 30 companies listed on the Indonesia Stock Exchange, selected using a purposive sampling technique. Data collection was conducted using secondary data from 2017 to 2022. The analysis employed multiple regression analysis with panel data. The results indicate that assets, market capitalization, and stock prices significantly affect financial performance, while the company's reputation index does not have a significant impact. These findings suggest that companies with strong asset values, high market capitalization, favorable stock prices are likely to enhance their financial performance. The study is limited by the small sample size of 30 companies, which may affect the generalizability of the findings. Further researchers are encouraged to use a larger number of samples with different analysis methods. Implications: This study serves as a benchmark for companies assessing their performance and provides valuable insights for investors when making investment decisions.

Keywords: Asset, Corporate Reputation, Stock Price, Financial Performance, Market Capitalization.

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1. Introduction

The primary objective of the company is to generate profit, which is derived from its financial performance over a specific period. To achieve strong financial performance, the company must consider various factors. A company can thrive in the business environment by effectively optimizing all available

resources, including both tangible and intangible assets (Hermawan et al., 2024; Hidayat et al., 2023). Assets are all economic resources or the value of wealth held by a particular entity, with the expectation of generating economic and social benefits that can be quantified in monetary terms. This includes non-financial resources necessary for providing services to the general public, as well as resources preserved for historical and cultural purposes. Generally, a company's objective regarding assets is to sustain the health of the organization, ensuring that these economic resources remain viable for the future (Biondi et al., 2021; Kidwell & Lowensohn, 2019). The concept of using assets as an indicator of company growth is a widely accepted practice. Asset growth is a crucial factor for managers in corporate business (Kristianthy & Ekawati, 2024). By focusing on asset growth, they can make informed investments in after-tax income, which is expected to enhance overall corporate performance.

The market capitalization value is a significant factor for potential investors (Cooper et al., 2023). Companies with large market capitalization are often viewed as favorable investment opportunities (Shikumo et al., 2022). However, it is not always evident that a high market capitalization guarantees substantial profits for investors. The relationship between a company's stock market value and its financial growth is a critical determinant of economic growth (Bagh et al., 2023; P. D. Nguyen & To, 2025). Market capitalization serves as an indicator of a company's stability (Lim et al., 2023). Large-cap companies typically experience less exposure to market fluctuations compared to mid-cap companies, while mid-cap companies are generally less susceptible to volatility than small-cap companies. This is because larger companies typically possess greater financial reserves, allowing them to absorb losses more easily and recover more quickly from adverse situations (Kabir et al., 2023; Nawati et al., 2025; Valadkhani, 2022). Shares represent an individual's or business entity's ownership stake in a corporation or limited liability company. Stocks are inherently volatile; their prices can fluctuate significantly, much like the prices of goods or commodities in the market. The rise and fall of stock prices are influenced by both internal and external factors.

Corporate reputation is an intangible asset that significantly influences the success and growth of a business (Blajer-Golebiewska & Nowak, 2024; Geno et al., 2022). Investors and lenders will closely examine a company's reputation as a crucial factor in their investment decision-making process. A strong reputation can enhance a company's perceived value, leading to higher valuation multiples

and increased interest from investors. Conversely, a damaged reputation can severely impede a company's access to capital and its ability to attract new investors, as well as negatively impacting the company's financial performance (Becchetti et al., 2023). Based on previous research found that there is no significant influence between corporate reputation and company performance (Febra et al., 2022; Riwu et al., 2026; H. Wang et al., 2024). While research conducted by (Batrancea et al., 2022; Liu, 2022) found a positive and significant relationship between corporate reputation and financial performance.

Despite the growing body of literature on the determinants of financial performance, several research gaps remain unaddressed. First, prior studies have predominantly examined the effects of assets, market capitalization, corporate reputation, and stock prices in isolation or within different contextual settings, leading to fragmented findings that lack a comprehensive understanding of how these factors collectively influence financial performance (Ammar & Kamaruddin, 2025; Danevska et al., 2023; N. P. Nguyen & Adomako, 2022; Somba Poddala et al., 2026). Second, empirical evidence on the simultaneous relationship between these four variables and financial performance within the Indonesian context remains limited, particularly given the unique characteristics of the Indonesia Stock Exchange, which is an emerging market with distinct institutional and regulatory features. Third, there is an ongoing debate regarding the role of corporate reputation in financial performance, with some studies finding a significant positive relationship (Batrancea et al., 2022; Liu, 2022; Riwu et al., 2023), while others report no significant influence (Febra et al., 2022; C. Wang, 2024). This inconsistency necessitates further investigation to clarify the nature of this relationship, especially in the Indonesian setting. Fourth, the simultaneous examination of these four determinants has not been extensively explored in previous research, making it difficult to ascertain which factors are most influential in driving financial performance.

The novelty of this study lies in its comprehensive and simultaneous examination of assets, market capitalization, corporate reputation, and stock prices as determinants of financial performance within a single analytical framework, specifically focusing on companies listed on the Indonesia Stock Exchange. Unlike previous studies that have examined these factors separately or in pairs, this research provides a holistic understanding of how both tangible and intangible resources collectively contribute to financial performance. Furthermore, by employing panel data analysis over a six-year period (2017-

2022), this study captures the dynamic nature of these relationships over time, offering more robust and reliable estimates compared to cross-sectional analyses. The Indonesian context provides a unique setting for this investigation, given its status as one of the largest and most dynamic emerging economies in Southeast Asia, characterized by rapid economic growth, evolving capital markets, and increasing integration into global financial systems.

By prioritizing sustainability for the future, every company listed on the Indonesia Stock Exchange must report its performance through increased market capitalization, stock prices, corporate reputation, and effective asset management. Based on this premise, the present study aims to investigate the impact of assets, market capitalization, corporate reputation, and stock prices on company performance.

2. Research Method

The approach employed in this research is a descriptive quantitative method. The type of data utilized in this study is quantitative, specifically numerical data that is gathered based on the research requirements (Ruel et al., 2016). This data is sourced from scientific articles, company financial reports, reputation indices, market capitalization, assets, and stock prices. The data source consists of secondary data, which is obtained through intermediaries or entities that have previously collected the information, such as idx.co.id and imacaward.com.

Population refers to a group of individuals who share specific characteristics relevant to the study at hand. In this research, the population consists of companies listed on the Indonesia Stock Exchange, totaling 901 companies. The sampling technique employed in this study is purposive sampling, which is based on criteria established by the researcher, including: (1) Companies listed on the Indonesia Stock Exchange; (2) Companies that periodically report financial statements on the Indonesia Stock Exchange; (3) Companies that have received recognition in the top 10 corporate image awards in Indonesia. Using a purposive sampling technique, a research sample of 30 companies listed on the Indonesia Stock Exchange was obtained.

The Corporate Reputation Index (CRI) utilized in this study was derived from the Top 10 Corporate Image Awards, which are conducted annually by

recognized institutions in Indonesia. This indicator was selected as the proxy for corporate reputation for several compelling reasons. First, the Top 10 Corporate Image Awards represent one of the most comprehensive and reputable assessments of corporate reputation in Indonesia, employing rigorous evaluation criteria that encompass multiple dimensions of corporate performance, including corporate identity, corporate image, corporate reputation, and corporate capital and assets. Second, the award is based on public perception and stakeholder assessments, making it a reliable indicator of how companies are perceived by investors, customers, and the broader community. Third, the award's recognition of companies across various sectors provides a standardized basis for comparing reputational differences among firms, ensuring consistency in measurement across the sample. Fourth, the CRI derived from this award has been widely used in previous Indonesian studies, validating its appropriateness as a measure of corporate reputation (Geno et al., 2022; Riwu et al., 2023; Riwu & Mattunruang, 2024; Uzliawati et al., 2023). The reputation index scores reflect the aggregate assessment of a company's standing in the eyes of key stakeholders, capturing the multidimensional nature of corporate reputation, including trustworthiness, social responsibility, product quality, and financial stability. This comprehensive measurement approach ensures that the CRI adequately captures reputational differences among firms, ranging from companies with poor reputations to those with excellent reputations, thereby enabling meaningful analysis of the relationship between corporate reputation and financial performance.

Data collection techniques involve the gathering of secondary data. This process includes conducting literature reviews of scientific articles and collecting secondary data from financial reports of each sample company. The data analysis method employed in this research is multiple regression analysis with panel data, which is a regression model that incorporates more than one independent variable (Liao et al., 2021).

Table 1. Variable Operational Definition

Variabel	Symbol	Measurement	Source
Financial Performance	FP	ROA = Net Income / Total Assets x 100%	(Batrancea et al., 2022; Nadir et al., 2026)
Assets	A	Natural Logarithm of Total Assets	(Dong & Doukas, 2025; Sharp et al., 2024)
Market Capitalization	MC	Natural Logarithm of Market Capitalization	(Agembo et al., 2025; P. D. Nguyen & To, 2025)
Corporate Reputation	CRI	Corporate Reputation Indeks Score	(Rehman, 2024; Tsai & Mutuc, 2020)

Variabel	Symbol	Measurement	Source
Stock Price	SP	Natural Logarithm of Closing Stock Price	(Ruliyani et al., 2022)

Source: Author's Processing, 2026

3. Result and Discussion

Descriptive Analysis

Descriptive analysis is conducted to identify the characteristics of the variables utilized in the study, focusing on the mean, median, maximum, minimum, and standard deviation values. The results of the descriptive analysis are presented in Table 2 below:

Table 2. Descriptive Statistics

	CRI	MC	SP	A	FP
Mean	1.480139	19.60656	7.595333	13.18333	8.776889
Median	1.457000	18.13000	7.515000	13.54500	6.350000
Maximum	3.620000	33.94000	10.93000	18.24000	53.00000
Minimum	0.202000	2.700000	4.680000	5.240000	-13.800000
Std. Dev	0.747617	8.898193	1.162626	3.48263	10.33423
Skewness	0.558408	-0.055020	0.141950	-0.353597	1.637508
Kurtosis	2.894706	1.952788	3.069761	1.918621	6.859393
Jarque-Bera	9.437747	8.315711	0.640997	12.52128	192.1548
Probability	0.008925	0.015641	0.725787	0.001910	0.000000
Sum	266.4250	3529.180	1367.160	2373.000	1579.840
Sum Sq.Dev	100.0487	14172.83	241.9541	2171.206	19116.55
Observations	180	180	180	180	180

Source: Author's Processing, 2026

The descriptive statistics reveal substantial variation across variables. Financial performance (ROA) ranges from -13.800000 to 53.000000, with a standard deviation of 10.33423. The negative minimum value indicates that some companies reported net losses during the observation period, particularly during the COVID-19 pandemic (2020-2021), which severely impacted many Indonesian firms. The maximum value of 53.000000 reflects exceptional profitability, suggesting significant performance disparities among sampled companies.

Corporate reputation (CRI) shows a relatively narrow range (0.202000 to 3.620000, SD = 0.747617), consistent with the sampling criterion that selected companies based on award recognition, implying all have achieved a baseline reputation level. Market capitalization and assets demonstrate considerable

variation (SD of 8.898193 and 3.48263, respectively), reflecting diversity in company size and market presence. The skewness and kurtosis values indicate moderate deviations from normality, justifying the use of panel data regression, which is robust to such deviations.

Estimation of Multiple Regression Models with Panel Data

To select the most appropriate panel data regression model, three sequential diagnostic tests were conducted: the Chow Test, the Hausman Test, and the Lagrange Multiplier (LM) Test. The Chow Test was employed to choose between the Common Effect Model (CEM) and the Fixed Effect Model (FEM). The Hausman Test was subsequently used to select between the Fixed Effect Model and the Random Effect Model (REM). Finally, the Lagrange Multiplier Test was conducted to choose between the Common Effect Model and the Random Effect Model. The results of these tests are presented in Tables 4, 5, and 6.

Chow Test Result

The common effects model is the most fundamental estimation method in panel data regression, utilizing the principles of ordinary least squares. Consequently, this method is also referred to as pooled least squares. Below is Table 3, which presents the results of the panel data regression using the common effects model)

Table 3. Common Effect Model

Variable	Coefficient	Probability
Constant	-11.710	0.040
Assets	-0.113	0.575
Market Capitalization	0.083	0.312
Corporate Reputation	1.732	0.095
Stock Price	2.384	0.000
R-squared	0.122	
Adjusted R-squared	0.102	
F-statistic	6.083	
Prob (F-stat)	0.000	

Source: Author's Processing, 2026

Fixed Effect Model

The fixed effects approach posits that an object has a constant that remains significant across various time periods. Similarly, the regression coefficient

remains stable over time. The following table presents the regression results obtained using the fixed effects model method:

Table 4. Fixed Effect Model

Variable	Coefficient	Probability
Constant	-56.869	0.000
Assets	2.127	0.000
Market Capitalization	0.343	0.005
Corporate Reputation	2.561	0.069
Stock Price	3.608	0.000
R-squared	0.776	
Adjusted R-squared	0.726	
F-statistic	15.390	
Prob (F-stat)	0.000	

Source: Author's Processing, 2026

Chow Test Result

The Chow Test was conducted to determine whether the Fixed Effect Model is more appropriate than the Common Effect Model. The null hypothesis (H_0) states that the Common Effect Model is more appropriate, while the alternative hypothesis (H_1) states that the Fixed Effect Model is more appropriate. If the probability value is less than 0.05, the Fixed Effect Model is selected.

Table 5. Chow Test Results

Effect test	Statistic	d.f	Prob
Cross-section F	14.760	(29.146)	0.0000
Cross-section Chi-square	246.438	29	0.0000

Source: Author's Processing, 2026

From the Chow test results, the probability value for the cross-section F statistic was 0.0000, which is less than 0.05. This indicates that the null hypothesis is rejected, and the Fixed Effect Model is more appropriate than the Common Effect Model.

Hausman Test Results

The Hausman Test was conducted to determine whether the Fixed Effect Model or the Random Effect Model is more appropriate. The null hypothesis (H_0) states that the Random Effect Model is more appropriate,

while the alternative hypothesis (H_1) states that the Fixed Effect Model is more appropriate. If the probability value is less than 0.05, the Fixed Effect Model is selected.

Table 6. Hausman Test Results

Test Summary	Chi-Sq. Statistics	Chi-Sq.d.f	Prob
Cross-section random	25.543.760	4	0.0000

Source: Author's Processing, 2026

The Hausman test results show a probability value of 0.0000, which is less than 0.05, indicating that the null hypothesis is rejected and the Fixed Effect Model is more appropriate than the Random Effect Model.

Lagrange Multiplier Test Result

The Lagrange Multiplier Test was conducted to determine whether the Random Effect Model is more appropriate than the Common Effect Model. The null hypothesis (H_0) states that the Common Effect Model is more appropriate, while the alternative hypothesis (H_1) states that the Random Effect Model is more appropriate. If the probability value is less than 0.05, the Random Effect Model is selected.

Table 7. Lagrange Multiplier Test Result

Test Hypothesis	Cross-section	Time	Both
Breusch-Pagan (Prob.)	28.456 (0.0000)	0.123 (0.7261)	28.579 (0.0000)

Source: Author's Processing, 2026

The Lagrange Multiplier test results show a probability value of 0.0000 for the cross-section, which is less than 0.05, indicating that the Random Effect Model is more appropriate than the Common Effect Model.

Based on the sequential testing procedure, the Chow Test rejected the Common Effect Model in favor of the Fixed Effect Model, and the Hausman Test rejected the Random Effect Model in favor of the Fixed Effect Model. Although the Lagrange Multiplier Test suggested that the Random Effect Model is more appropriate than the Common Effect Model, the Hausman Test results take precedence in the selection process, as it directly compares the Fixed Effect Model and Random Effect Model. Therefore, the Fixed Effect Model was selected as the most appropriate model for this study. This decision

is justified by the theoretical preference for the Fixed Effect Model when unobserved individual-specific heterogeneity is correlated with the independent variables, which is likely the case in this study given the diverse characteristics of the sampled companies. The Fixed Effect Model controls for time-invariant firm-specific characteristics, thereby reducing omitted variable bias and providing more reliable estimates of the relationships between the independent variables and financial performance.

Panel Data Multiple Regression

Table 8. Panel Data Multiple Regression Using a Fixed Effects Model

Variable	Coefficient	Probability
Constant	-56.869	0.000
Assets	2.127	0.000
Market Capitalization	0.343	0.005
Corporate Reputation	2.561	0.069
Stock Price	3.608	0.000
R-squared	0.776	
Adjusted R-squared	0.726	
F-statistic	15.390	
Prob (F-stat)	0.000	

Source: Author's Processing, 2026

The panel data multiple regression model is outlined as follows:

$$Y = -56.869 + 2.127X_1 + 0.343X_2 + 2.561X_3 + 3.608X_4 + e$$

Where:

Y = Financial Performance

X_1 = Assets

X_2 = Market Capitalization

X_3 = Corporate Reputation

X_4 = Stock Price

Based on the results of the t-test conducted on four independent variables namely, (1) assets, (2) market capitalization, (3) company reputation index, and (4) share price the findings are presented in Table 7 below:

Table 9. The Results of The t-test

Hypothesis		Result
H ₁	It is believed that there is a positive and significant correlation between assets and financial performance.	Positive ; Significant
H ₂	It is believed that there is a positive and significant correlation between market capitalization and financial performance.	Positive ; Significant
H ₃	It is believed that a positive and significant relationship exists between the corporate reputation index and financial performance.	Positive; Not Significant
H ₄	It is believed that there is a positive and significant correlation between stock prices and financial performance.	Positive ; Significant

Source: Author's Processing, 2026

Discussion

The results of this study provide valuable insights into the determinants of financial performance among companies listed on the Indonesia Stock Exchange. The findings demonstrate that assets, market capitalization, and stock prices have a positive and significant relationship with financial performance, while corporate reputation does not have a significant impact. This section provides a comprehensive interpretation of these findings, drawing on relevant theoretical frameworks and contextual explanations.

Assets and Financial Performance

Company assets are economically valuable resources that play a crucial role in ensuring business continuity. Every company must possess assets in the form of goods that are deemed valuable and can be utilized to maintain the continuity of its operations. Effective asset management can enhance the company's financial performance, thereby boosting investor confidence and encouraging investment in the company. The results indicate that assets are positively and significantly related to financial performance. This suggests that a company's performance is the outcome of a series of processes that utilize various resources. This finding aligns with research conducted (Ammar & Kamaruddin, 2025; Dong & Doukas, 2025).

The positive and significant relationship between assets and financial performance can be explained through the lens of the Resource-Based View (RBV) theory, which posits that firms gain competitive advantage by effectively utilizing their unique and valuable resources (Barney, 1991). Assets, as tangible resources, provide companies with the capacity to generate

revenue, reduce operational costs, and invest in growth opportunities. Companies with larger asset bases have greater financial flexibility, enabling them to diversify their operations, enter new markets, and weather economic downturns more effectively. Furthermore, assets serve as collateral for obtaining external financing, enhancing a company's ability to fund value-creating investments. The efficient management of assets, including inventory, receivables, and fixed assets, directly contributes to improved profitability and operational efficiency, which are reflected in better financial performance. In the Indonesian context, where access to external financing may be limited, companies with substantial assets are better positioned to leverage their resources for sustainable growth.

However, it contrasts with the findings (Danevska et al., 2023), which states that when a company's assets experience growth or increase, the company tends to maintain these assets to prevent a decline in their value in the future. This discrepancy may be attributed to differences in the economic environments and regulatory frameworks of the countries studied, as well as variations in the operational efficiency of asset management across firms.

Market Capitalization and Financial Performance

Market capitalization is frequently utilized by investors as an indicator of a company's quality. The findings indicate that market capitalization has a positive and significant relationship with company performance, suggesting that companies with a strong market cap can enhance their financial performance.

The positive relationship between market capitalization and financial performance can be understood through the signaling theory perspective. According to signaling theory, firms use various signals to convey information about their quality and prospects to external stakeholders (P. D. Nguyen & To, 2025; Spalding et al., 2017). Market capitalization serves as a visible and credible signal of a company's value, size, and stability in the eyes of investors. Companies with high market capitalization are perceived as more established, less risky, and better positioned to capitalize on growth opportunities. This positive perception enhances investor confidence, which translates into higher stock demand, improved liquidity, and easier access to capital markets. Furthermore, larger market capitalization enables companies to achieve economies of scale in financing, as they can issue equity or debt at more

favorable terms compared to smaller firms. The ability to raise capital efficiently supports corporate expansion, research and development, and other strategic investments that drive financial performance. In the Indonesian stock market, where institutional investors play an increasingly important role, companies with substantial market capitalization attract greater attention and investment from both domestic and international investors, leading to enhanced financial outcomes.

These results contradict the conclusions of research conducted by (P. D. Nguyen & To, 2025), which asserts that market capitalization has a negative and significant relationship with financial performance. This contradiction may be explained by differences in market conditions, regulatory environments, and the time periods examined across the two studies. In the Indonesian context, the positive relationship reflects the growing maturity of the capital market and investor confidence in larger, more established companies.

Corporate Reputation and Financial Performance

Corporate reputation refers to investors' perceptions of a company's performance and integrity, encompassing aspects such as corporate identity, corporate image, corporate reputation, and corporate capital and assets. To support its performance, a company must earn the trust of both potential and existing investors. However, maintaining a positive corporate reputation is challenging, as investors expect the company to consistently demonstrate strong, stable, and transparent performance that ultimately benefits them. The results indicate that the corporate reputation index is positively correlated with financial performance, suggesting that companies with a high reputation index tend to achieve better financial outcomes. However, it is important to note that this relationship does not have a significant impact on financial performance.

The lack of a significant relationship between corporate reputation and financial performance can be explained through several theoretical perspectives. First, according to the Efficient Market Hypothesis, stock prices already incorporate all available information, including reputational assessments, thereby diminishing the incremental effect of reputation on financial performance. Second, from a stakeholder theory perspective, while a good reputation is beneficial, it is not necessarily sufficient to drive financial

performance, as companies also need to effectively manage other dimensions such as operational efficiency, financial management, and strategic planning. Third, corporate reputation is a multidimensional construct that may not be adequately captured by a single index, as different stakeholder groups may have varying perceptions of a company's reputation. The lack of significance may also be attributed to the possibility that companies with strong reputations become complacent, overlooking operational or financial risks, while companies with weaker reputations are more proactive in implementing strategies to improve their performance. Furthermore, the dynamic and volatile nature of the Indonesian business environment may cause reputational benefits to be more short-lived, as market participants quickly adjust their expectations based on recent financial performance rather than historical reputation. This findings align with previous research (Alshehabi et al., 2024; Ince, 2022; Uzliawati et al., 2023).

However, these findings differ from the study conducted by (Khalis et al., 2025), which asserts that companies with strong reputations tend to perform better than those with weak reputations. This discrepancy may be due to differences in the operationalization of corporate reputation, the industry composition of the samples, and the cultural and institutional contexts in which the studies were conducted. In collectivist societies like Indonesia, relational factors and personal networks may play a more important role in business success than formal reputation indices, reducing the explanatory power of such measures.

Stock Prices and Financial Performance

In economic theory, the fluctuations in share prices are commonplace, as they are driven by the forces of supply and demand. When demand is high, prices tend to rise; conversely, when supply is high, prices tend to fall. The results indicate that stock prices have a positive and significant relationship with financial performance.

The positive relationship between stock prices and financial performance is consistent with both the efficient market hypothesis and the wealth effect theory. High stock prices signal investor confidence in the company's future prospects and serve as a market-based assessment of corporate performance. From a managerial perspective, higher stock prices increase the market value of the firm, enhancing its ability to finance

investments through equity issuance at favorable terms. This creates a virtuous cycle where improved financial performance leads to higher stock prices, which in turn facilitate further performance-enhancing investments. Additionally, rising stock prices attract greater analyst coverage and media attention, further reinforcing positive market perceptions and supporting corporate value. The role of stock prices as a performance indicator is particularly relevant in the Indonesian capital market, where stock price movements reflect both company-specific factors and broader economic trends.

One of the factors that can influence stock prices is corporate action. Investors must pay close attention to the corporate actions undertaken by issuers in order to analyze the movement of their share prices. This is important because share prices reflect investor confidence in the company's performance. Corporate actions such as dividend announcements, stock splits, mergers, and acquisitions convey information about management's confidence in future performance and directly influence stock prices. The significant positive relationship between stock prices and financial performance underscores the importance of maintaining investor confidence through transparent communication, consistent dividend policies, and strategic corporate actions that signal long-term growth prospects.

Overall, the findings of this study contribute to the understanding of the determinants of financial performance in an emerging market context. The significant positive effects of assets, market capitalization, and stock prices highlight the importance of tangible resources, market valuation, and investor confidence in driving financial performance. The non-significant effect of corporate reputation suggests that while reputation matters, it may not be a sufficient condition for financial success, particularly in dynamic and competitive environments. These results offer important implications for corporate managers, investors, and policymakers in their efforts to enhance financial performance and promote sustainable growth.

4. Conclusion

Based on the results of the research and discussion, it can be concluded that:

- a. The more effective the asset management conducted by the company, the stronger the company's financial performance will be. Assets have a positive and significant relationship with financial performance.
- b. The greater the market capitalization generated by the company, the stronger the company's financial performance. Market capitalization has a positive and significant relationship with financial performance.
- c. The higher the company's reputation index, the stronger its financial performance, although this relationship is not statistically significant. Corporate reputation shows a positive but insignificant relationship with financial performance.
- d. The higher the share price owned by the company, the stronger the company's financial performance. Stock prices have a positive and significant relationship with financial performance.

The limitation of this study is the small number of samples used, which is 30 companies listed on the Indonesia Stock Exchange. It is expected that further researchers can use a larger number of samples with different analysis methods. Additionally, future research could explore other variables that might influence financial performance and consider longer time periods for observation.

Limitations and Future Research Directions

This study has several limitations. First, the sample is limited to 30 companies listed on the Indonesia Stock Exchange, which may affect generalizability. Second, corporate reputation was measured using a single index from the Top 10 Corporate Image Award, which may not fully capture the multidimensional nature of reputation. Third, the study only examined four determinants of financial performance. Fourth, the observation period (2017-2022) may not capture long-term trends due to the COVID-19 pandemic's impact.

Future research should: (1) expand the sample to include a broader range of companies, (2) incorporate alternative reputation proxies such as ESG ratings, media sentiment analysis, or stakeholder perception indicators, (3) explore other variables that might influence financial performance, (4) extend the observation period, and (5) consider qualitative approaches to complement the quantitative findings.

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