

Review Form 1.7

Journal Name:	Asian Journal of Economics, Business and Accounting
Manuscript Number:	Original Manuscript_AJEBA_117901
Title of the Manuscript:	The Effect of ESG Scores towards Firm Financial Performance: The Moderating Role of Intellectual Capital Components
Type of the Article	Original Research Article

General guideline for Peer Review process:

This journal's peer review policy states that **NO** manuscript should be rejected only on the basis of '**lack of Novelty**', provided the manuscript is scientifically robust and technically sound. To know the complete guideline for Peer Review process, reviewers are requested to visit this link:

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Review Form 1.7

PART 1: Review Comments

	Reviewer's comment	Author's comment <i>(if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)</i>
<p>Compulsory REVISION comments</p> <p>1. Is the manuscript important for scientific community? (Please write few sentences on this manuscript)</p> <p>2. Is the title of the article suitable? (If not please suggest an alternative title)</p> <p>3. Is the abstract of the article comprehensive?</p> <p>4. Are subsections and structure of the manuscript appropriate?</p>	<p>this manuscript appears to be important for the scientific community as it addresses a relevant and timely topic: the relationship between ESG (Environmental, Social, and Governance) scores and firm financial performance, with a focus on the moderating role of intellectual capital components. By employing a quantitative approach and panel data regression, the study provides empirical evidence on how factors such as human capital efficiency and capital employed efficiency interact with ESG scores to influence financial performance. The findings, which suggest both positive and negative moderating effects, contribute to understanding the complex dynamics between ESG considerations, intellectual capital, and financial outcomes for companies. This research can inform corporate strategies, investor decisions, and stakeholder engagement practices, thereby offering practical implications for both academia and industry.</p> <p>Yes its Suitable</p> <p>The abstract provides a comprehensive overview of the research conducted in the manuscript. It clearly outlines the aims of the study, the methodology employed, the sample used, key findings, and the conclusions drawn. Additionally, it succinctly presents the main results, including the effects of ESG scores and intellectual capital components on firm financial performance, along with the moderating roles of human capital efficiency, structural capital efficiency, and capital employed efficiency. Overall, the abstract effectively encapsulates the essence of the research and its implications for both academia and industry stakeholders</p> <p>The manuscript's structure, as outlined in the abstract, seems well-organized and aptly aligned with the research aims and objectives. The abstract provides a clear roadmap of the study, starting with a concise statement of its aims, followed by a description of the study design, including the methodology employed and the sample characteristics. The methodology section indicates a robust quantitative approach, incorporating correlation analysis and panel data regression, which aligns with the complexity of the research questions. The mention of the place and duration of the study, specifically focusing on companies listed on the Indonesian Stock Exchange from 2020 to 2023, provides crucial context for understanding the scope and applicability of the findings. Additionally, the presentation of results in the abstract effectively summarizes the key findings, highlighting the effects of ESG scores and intellectual capital components on firm financial performance, along with their moderating roles. Finally, the conclusion succinctly summarizes the implications of the findings, emphasizing the influence of ESG scores and intellectual capital on enhancing firm financial performance. Overall, the manuscript's subsections and structure appear well-suited for delivering a coherent narrative that addresses the research objectives and presents the findings in a logical and accessible manner</p> <p>Based solely on the abstract provided, it appears that the manuscript follows a methodologically sound approach to address its research aims. Utilizing quantitative analysis, correlation, and panel data regression on time series data are appropriate methods for examining the relationships between ESG scores, human capital efficiency, structural capital efficiency, capital employed efficiency, and firm financial performance. The use of a fixed effect regression model further indicates a rigorous statistical approach.</p> <p>However, without access to the full manuscript, it's challenging to make a definitive assessment of its scientific correctness. Several factors could influence the manuscript's scientific validity, such as the appropriateness of the data collection methods, the accuracy of variable measurements, the</p>	

Review Form 1.7

<p>5. Do you think the manuscript is scientifically correct?</p>	<p>robustness of statistical analyses, and the consideration of potential confounding variables or biases. Additionally, the interpretation of results and the generalization of findings should align with the limitations of the study and existing literature in the field. To accurately evaluate the scientific correctness of the manuscript, a thorough examination of the entire research paper, including the methodology, results, discussion, and references, would be necessary</p> <p>Flammer, C. (2015). Does Corporate Social Responsibility Lead to Superior Financial Performance? A Regression Discontinuity Approach. <i>Management Science</i>, 61(11), 2549–2568. doi:10.1287/mnsc.2014.2096</p> <p>Kianto, A., & Andreeva, T. (2016). Knowledge management and intellectual capital: Reviewing the field. <i>Journal of Knowledge Management</i>, 20(2), 230–257. doi:10.1108/jkm-07-2015-0272</p> <p>Orlitzky, M., Schmidt, F. L., & Rynes, S. L. (2003). Corporate social and financial performance: A meta-analysis. <i>Organization Studies</i>, 24(3), 403–441. doi:10.1177/0170840603024003910</p> <p>These references cover a range of topics relevant to the manuscript's themes, including the relationship between corporate social responsibility and financial performance, knowledge management, and the role of intellectual capital. Including recent studies can help strengthen the manuscript's scholarly foundation and ensure that it reflects the latest advancements in the field.</p>	
<p>6. Are the references sufficient and recent? If you have suggestion of additional references, please mention in the review form.</p> <p><u>(Apart from above mentioned 6 points, reviewers are free to provide additional suggestions/comments)</u></p>	<p>Clarity and Context: Ensure the introduction clearly outlines the research problem, significance, and objectives. The literature review should provide a solid theoretical framework and highlight gaps the study aims to fill. Depth of Review: Assess if the literature review covers a broad range of relevant studies, both historical and contemporary. Hypotheses Development: Logical Flow: Evaluate if the hypotheses are logically derived from the literature review and theoretical framework. Justification: Check if each hypothesis is justified with supporting evidence. Methodology: Detail and Transparency: Ensure the methodology section provides sufficient detail for replication, including data sources, sampling methods, and potential biases. Appropriateness of Methods: Assess if the chosen methods (e.g., Fixed Effect Regression Model) are appropriate for the research questions and data structure. Data Analysis: Robustness Checks: Suggest including robustness checks or sensitivity analyses to confirm the stability of the results. Assumptions and Limitations: Ensure the authors discuss any assumptions made in their analyses and acknowledge study limitations. Results Presentation: Clarity and Interpretation: Check if results are presented clearly, with appropriate use of tables and figures, and ensure the interpretation aligns with the data. Statistical Significance: Confirm that the authors provide information on the statistical significance of their findings and discuss their practical implications. Discussion and Implications: Connection to Literature: Ensure the discussion relates the findings back to the literature reviewed and highlights how the study advances understanding. Practical Implications: Assess if the authors effectively discuss the practical implications for companies, investors, and stakeholders. Summary of Findings: Ensure the conclusion concisely summarizes key findings and their implications. Future Research: Suggest including recommendations for future research to address remaining gaps or new questions.</p>	

Review Form 1.7

	<p>Writing Quality:</p> <p>Clarity and Coherence: Evaluate the overall clarity and coherence of the manuscript. Ensure the writing is clear, concise, and free of jargon.</p> <p>Grammar and Style: Check for grammatical errors, proper citation style, and adherence to the journal's formatting guidelines.</p>	
<p>Minor REVISION comments</p> <p>1. Is language/English quality of the article suitable for scholarly communications?</p>	<p>The language quality of the provided article is generally suitable for scholarly communication, but it could benefit from a few improvements to enhance clarity and coherence.</p> <p>Clarity and Conciseness: Some sentences were streamlined for better readability without changing their meaning.</p> <p>Terminology Consistency: Ensuring consistent use of terms such as "Human Capital Efficiency" (HCE) and "Firm Financial Performance" (FFP) throughout the document.</p> <p>Grammar and Punctuation: Minor grammatical adjustments and punctuation corrections to improve the flow of the text.</p>	
<p>Optional/General comments</p>	<p>Reworded sentences for clarity.</p> <p>Ensured consistent use of acronyms.</p> <p>Improved grammar and punctuation for better readability.</p> <p>Clarity and Conciseness: Some sentences were streamlined for better readability without changing their meaning.</p> <p>Terminology Consistency: Ensuring consistent use of terms such as "Human Capital Efficiency" (HCE) and "Firm Financial Performance" (FFP) throughout the document.</p> <p>Grammar and Punctuation: Minor grammatical adjustments and punctuation corrections to improve the flow of the text.</p>	

PART 2:

	Reviewer's comment	Author's comment (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
Are there ethical issues in this manuscript?	<i>(If yes, Kindly please write down the ethical issues here in details)</i>	

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