

ABSTRACT

Enterprise Risk Management (ERM) disclosure is a disclosure of the management of risks carried out by the company or how the company manages the risks to be faced in the future. With the existence of risk management disclosure, communication between stakeholders and company management is better. In addition, risk management disclosure is also very influential in making investment decisions made by investors and creditors. In risk disclosure, information conveyed both positive and negative information must be presented in a balanced manner so that the company's goals can be achieved.

This study aims to determine the variables of public ownership, board size, leverage, and company size. This study also aims to determine the effect of variables on public ownership, board size, leverage, and firm size on Enterprise Risk Management (ERM) in companies that are members of the LQ45 index on the Indonesia Stock Exchange in 2015-2017.

The method of data collection in this study uses secondary data sources in the form of annual reports of companies incorporated in the LQ45 index on the Indonesia Stock Exchange in 2015 - 2017. This study used purposive sampling with a total sample of 32 companies. The analysis method in this study uses panel data regression method with Eviews 10 software.

Based on the test results, the variables of public ownership, board size, leverage, and company size simultaneously have a significant effect on ERM. Partially it can be concluded that the size of the board of commissioners and leverage has a significant positive effect on ERM. While public ownership and company size do not have a significant influence on ERM in a company.

Keywords : Public Ownership, Board of Commissioners Size, Leverage, Enterprise Risk Management