

ABSTRACT

In developing its business, the company will not be separated from the threat of risks or obstacles faced by the uncertainty that occurs. Enterprise Risk Management can be used as a tool to identify, measure, and mitigate risks that arise from all activities carried out by the company. Enterprise Risk Management is the ability of an organization to be able to understand, control and mitigate the risks taken by the company in order to carry out its business strategy.

This study aims to examine the effect of independent commissioners, firm size, and concentration of ownership, on enterprise risk Management disclosures in banking companies listed on the Indonesia Stock Exchange (IDX) for the 2016-2020 period. The data used in this study were obtained from the 2016-2020 annual report data.

The population in this study are banks listed on the Indonesia Stock Exchange. The sample selection technique used was purposive sampling and obtained 30 banking companies for the 2016-2020 period so that the total sample used in this study was 150 samples. The data analysis method used is panel data regression analysis using Eviews version 11.

The results of the study found that simultaneously independent board of commissioners, firm size, and concentration of ownership affect the disclosure of enterprise risk Management. Based on the partial test, independent board of commissioners and firm size have a positive effect on enterprise risk Management disclosure. The concentration of ownership has a negative effect on the disclosure of enterprise risk Management.

Researchers also provide advice for banking companies and investors to consider company size and ownership concentration in conducting enterprise risk Management disclosures because company size and ownership concentration are factors that affect the extent of enterprise risk Management disclosure.

Keywords: Company Size, Enterprise Risk Management, Independent Board of Commissioners, Ownership Concentration,