

ABSTRACT

The value of a company reflects how well its performance and future prospects are, especially in the banking sector, which plays a crucial role in the national financial system. Although the banking sector in Indonesia continues to grow, the company value of banks listed on the Indonesia Stock Exchange (IDX) is still influenced by several internal and external factors. Therefore, this study aims to analyze the factors that are suspected to affect the company value, namely the implementation of Enterprise Risk Management (ERM), capital structure, and firm size, particularly for bank listed on the Indonesia Stock Exchange (IDX) during the period of 2021-2023.

This study aims to determine the effect of Enterprise Risk Management (ERM), capital structure, and firm size on the company value of commercial banks listed on the Indonesia Stock Exchange (IDX) during the period of 2021-2023. The data used in this study is secondary data obtained from the banks' annual reports and the official website of the Indonesia Stock Exchange. The company value in this study is proxied by the Price to Book Value (PBV) ratio, while ERM is measured by risk management disclosure, capital structure by the Debt to Equity Ratio (DER), and firm size by total assets.

This study uses a quantitative method with purposive sampling as the data collection technique. The total number of observations in this study is 129 observations obtained from 43 commercial banks listed on the Indonesia Stock Exchange. The analysis method used in this study is panel data regression analysis using Eviews 13 software.

The results of this study show that Enterprise Risk Management (ERM), capital structure, and firm size have a simultaneous effect on company value. Partially, firm size has a positive effect on company value, while Enterprise Risk Management (ERM) and capital structure do not have a significant effect on company value.

Based on the findings of this study, it is expected that this research can provide information related to the implementation of Enterprise Risk Management (ERM), capital structure, firm size, and company value in the banking sector. Future studies are recommended to expand the independent variables, such as profitability and liquidity, and consider external factors that may affect company value. For companies, it is recommended to optimize the implementation of ERM and consider firm size, as both can enhance competitiveness and financial stability. For investors, it is expected that they will consider companies with good ERM implementation and larger sizes, as they tend to have more stable and prospective company values.

Keywords: Enterprise Risk Management (ERM); Capital Structure; Company Size; Company Value.