

ABSTRACT

Risk is a possibility of events originating from activities that can affect a goal. One of the information factors required by investors to invest their money in the company is about the disclosure of the company's risk management. Risk management disclosure is the disclosure of the risks of a company that has been managed and disclosed for risk control in the future.

Risk management disclosure is an attempt to explain to users the annual report. So that this can become a consideration in decision making. Risk management disclosure can be a solution in managing company uncertainty so that it can be expected to prevent risks that can harm the company.

This study aims to test the profitability, solvency and ownership of management against risk management disclosures in banking companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period. The population in this study is banking companies listed on the Indonesia Stock Exchange for the 2018-2021 period. Samples in the study were obtained using purposive sampling techniques. Based on the techniques that have been carried out, data on 17 companies that are consistently listed on the Indonesia Stock Exchange were obtained, so that there were 68 samples within 4 years. Then the data analysis method used in this study is the panel data regression method using the Eviews 12 software.

Based on the test results, the variables of profitability, solvency and management ownership simultaneously affect the disclosure of risk management in banking companies listed on the Indonesia Stock Exchange in 2018-2021. Then partially the variables of profitability have a positive effect on the disclosure of risk management in banking companies listed on the Indonesia Stock Exchange in 2018-2021. Meanwhile, the management ownership and solvency variable does not affect the disclosure of risk management listed on the Indonesia Stock Exchange in 2018-2021.

Based on the results of the study, it is recommended for subsequent researchers to use different variables and the research period with the latest time. As well as for investors, the results of the research can be used as a source of additional information in making decisions to make investments and for companies it is advisable to make the profits obtained and the company's ability to measure the debt borne to disclose risk management properly.

Keywords : profitability, solvency, ownership management, risk management disclosure