

ABSTRACT

The fast dynamics of the business world and industry drives company to adapt and innovate in order to increase firm value. In line with companies effort to increase their value, risk probabilities increases and became more diverse, especially risks to the environment and society. The existence of these conditions encourages this study which aims to analyze the effect of Enterprise Risk Management and sustainability reporting through Environmental, Social, and Governance with Size as control variable on firm value as proxied by Tobin's Q in companies listed on the Indonesia Stock Exchange during 2016-2020.

The population of this study is all companies listed on the Indonesia Stock Exchange that carry out Environmental, Social, and Government reporting during 2016-2020. This study uses secondary data and the sample used based on purposive sampling method is 30 companies so as to produce 150 observations, while the analysis technique used is multiple regression with Ordinary Least Square method.

The results of this study indicate that Enterprise Risk Management and Environmental has a significant negative effect on firm value, while Social has a significant positive effect on firm value, and Governance has an insignificant negative effect on firm value. In addition, Size works well in controlling the independent variable against the dependent variable.

Keywords: Enterprise Risk Management, Environmental, Social and Governance, Firm Value