

ABSTRACT

This study aims to examine the influence of digital transformation on enterprise risk management (ERM) from the perspectives of value creation and loss control, as well as the moderating effect of the IT governance board on the relationship between digital transformation and ERM. The dependent variable in this study is enterprise risk management (ERM), which is divided into two categories: strategy effectiveness and internal control. Furthermore, the independent variable in this study is corporate digital transformation. The IT governance board is used as a moderating variable in this study.

The population of this study comprises financial sector companies listed on the Indonesia Stock Exchange, including banks, non-bank institutions, insurance companies, and financial holding companies, during the period from 2022 to 2024. Subsequently, the sample was collected using a purposive sampling method based on predetermined criteria, resulting in a final sample of 90 company observations. The analysis employed in this study uses parametric multiple regression analysis and non-parametric analyses, namely the Kruskal-Wallis and Mann-Whitney tests.

This study finds that digital transformation has a positive and significant influence on improving enterprise risk management from both the value creation and loss control perspectives. However, the IT governance board is not proven to moderate the influence of digital transformation on enterprise risk management.

Keywords: Enterprise Risk Management (ERM), Digital Transformation, Board IT Governance