ABSTRACT

This study focuses on the effect of Enterprise Risk Management (ERM) disclosure on financial distress and the role of capital intensity in moderating this relationship. The sample includes 50 non-financial capital-intensive companies listed on the Indonesia Stock Exchange during 2020–2024, resulting in 250 firm-year observations. ERM disclosure was measured through content analysis using 22 items adapted from the COSO (2017) framework. Financial distress was measured using the Modified Altman Z-Score, while capital intensity was measured using the ratio of Property, Plant, and Equipment to total assets. The data were analyzed using panel data regression with a Random Effect Model (REM) and White Cross-section Robust Standard Errors. The results show that ERM disclosure does not have a significant effect on financial distress. Capital intensity also does not significantly moderate the relationship between ERM disclosure and financial distress. These findings show that variations in ERM disclosure and capital intensity do not sufficiently explain differences in financial distress among the sample companies.

Keywords: ***Enterprise Risk Management Disclosure, Financial Distress, Capital Intensity, Modified Altman Z-Score, Moderation***

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